

**SCHOOL OF BUSINESS**  
**DEPARTMENT OF BUSINESS ENTREPRENEURSHIP AND MANAGEMENT**  
**STUDIES**

**SECOND SEMESTER EXAMINATION FOR DEGREE IN BACHELOR OF**  
**COMMERCE IN PROCUREMENT AND SUPPLY CHAIN MANAGEMENT**

**BMS 320: STORAGE AND WAREHOUSE MANAGEMENT**

**Date:**

**Time:**

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**INSTRUCTIONS**

*This paper consists of FIVE questions*

*Answer question one and other two questions in this paper*

1.
  - a) Explain the difference between the term stock location and warehouse location. (4 marks)
  - b) Explain the reasons against storage of materials by organizations. (6 marks)
  - c) Highlight the various costs which are associated with the holding of materials in an organization. (6 marks)
  - d) Outline the scope to which an organization may issue materials to. (4 marks)
  - e) Highlight the types of stock layouts that can be adopted in organizations. (4 marks)
  - f) Highlight the various methods of dispatching materials outside the organization. (6 marks)
2.
  - a) Describe the material issue procedure into an organization. (10 marks)
  - b) Explain the reasons that would favour the use of replacement method of materials for internal use. (10 marks)
3.
  - a) Explain the factors to consider when selecting the method of dispatching materials to external customers. (10 marks)

- b) Explain the operational aspects of a storage accommodation that should be considered when designing a warehouse. (10 marks)
4. a) Explain the various reasons that have led to the continued use of manual handling within some organizations in Kenya. (10 marks)
- b) Explain the measures that may be instituted in a warehouse to ensure security of the materials dealt in. (10 marks)
5. a) Explain the challenges that a storekeeper could face while using a fixed stock location system in its warehouses. (10 marks)
- b) Material codification is a pre-requisite to warehouse efficiency. Discuss. (10 marks)