

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF
PROCUREMENT AND LOGISTICS MANAGEMENT**

BPLM 211: STOCK MANAGEMENT AND STOCK CONTROL

STREAMS: BPLM

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 07/07/2021

2.30 P.M. – 4.30 P.M.

INSTRUCTIONS:

Answer questions ONE and any other TWO

QUESTION ONE

- (a) Jenga Company limited has been experiencing problems in determining the levels of inventory at a particular point in time. In an effort to resolve this problem they have hired you as a consultant to advise them. Hence, describe the various approaches that can be used by an organization to keep track of the flow of inventory. (10 marks)
- (b) Information system is very important in inventory management as it helps in promoting efficiency in the store. Describe any three ways in which information system can be used in the store. (10 marks)
- (c) Using an illustration, discuss the activities involved in the receipt and inspection of materials. (10 marks)

QUESTION TWO

- (a) Formulation of an inventory policy requires an understanding of the role of inventory in an organization. Firms hold inventories of meeting customers demand and other objectives but also too much inventory could affect a firm's operation efficiency. In view of this statement discuss 3 arguments for and 3 against holding inventories. (12 marks)

- (b) Describe 4 various ways of preventing accidents and ensuring health and safety within the store. (8 marks)

QUESTION THREE

- (a) Discuss the reasons for having a product – oriented computerized technique for managing inventory and maintain delivery schedules. (8 marks)
- (b) A small business entrepreneur has come to get advice on how he can get rid of materials that he does not require and how to identify such kind of materials. With your knowledge of stores management. (6 marks)
- (i) Describe the different ways of disposing materials. (6 marks)
- (ii) Explain any 3 challenges involved in disposal of items. (6 marks)

QUESTION FOUR

- (a) Storage of goods on a large-scale in a systematic and making them available conveniently when needed is of importance to any organization. Explain any 3 different types of organization used for storage on a large scale. (10 marks)
- (b) Outline the objectives of stock control in any organization. (4 marks)
- (c) Describe the different types of location systems that can be found within the store. (6 marks)
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