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**CERTIFICATE IN LOGISTICS AND TRANSPORT**

**O1-L3 WAREHOUSING**

**November 2021**

**Note to Candidates**

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Candidates are advised to spend NOT more than 60 minutes in section A and not more than 40 minutes on each on each question in section B. Credit will be for citing relevant examples. Write neatly and legibly.

Answer **ALL** Questions in **Section A** and **any 3 questions in Section B**. All Questions in Section B carry equal marks

**2.30 HOURS**

**Section A (Answer all questions)**

1. (a) Briefly explain the following terms in relation to warehousing operations:
2. Unitisation (3 marks)
3. Throughput (3 marks)
4. 80/20 rule (3 marks)
5. Shelf life (3 marks)
6. Contingency planning (3 marks)

b i) Calculate the gross weekly wage for Peter Hungwe for the following, based on a basic wage of $10.00 per hour:

Standard hours worked = 35.0

5 overtime hours worked at time and a half.

3 overtime hours worked at double time.

Bonus 500 picks at 10c per pick.

Penalty for 8 incorrect picks at $1.50 per incorrect pick. (6 marks)

ii) Comment on the practice and concept of deducting money for pick errors (4 marks).

(b) Explain 3 reasons why companies hold stock (6 marks)

(c) Explain how returns can be managed in a warehouse. (5 marks)

(d) List4 factors you would consider when deciding on aisle type (4 marks)

**SECTION B**

1. Describe the role of warehouses in the following supply chain systems
2. Push system (7 marks)
3. Pull system (7 marks)
4. Agile system (6 marks)
5. ‘*Receiving, put away, picking and dispatching are four (4) major functions of a warehouse that should not be seen in isolation, but as a continuous activity’*. Discuss the statement and clearly show whether you agree with it or not and why? **(20 marks)**
6. ‘Stock is a company’s greatest asset’. Explain the controls that are needed to ensure that stocks are stored safely and securely. **(20 marks)**
7. ‘Many big retail outlets have warehouses which they do not directly manage’. Discuss the rationale for this increasing trend to outsource warehouse management by retailers, fully explaining the advantages and disadvantages of such a system. **(20 marks)**