



**The Chartered
Institute of Logistics
and Transport**

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:

- | | |
|--------------------------|-----------|
| (i) Unitisation | (3 marks) |
| (ii) Throughput | (3 marks) |
| (iii) 80/20 rule | (3 marks) |
| (iv) Shelf life | (3 marks) |
| (v) 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) List 4 factors you would consider when deciding on aisle type (4 marks)

SECTION B

2. Describe the role of warehouses in the following supply chain systems

a) Push system (7 marks)

b) Pull system (7 marks)

c) Agile system (6 marks)

3. *'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)**

4. *'Stock is a company's greatest asset'*. Explain the controls that are needed to ensure that stocks are stored safely and securely. **(20 marks)**

5. *'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)**