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| **KNOWLEDGE TEST** | |
| Qualification | 103150 OC: Retail chain store manager |
| Knowledge module | KM05 Concepts and principles of stock control  NWF5 Credits 3 |

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| Learner surname |  |  |
| Learner full names |  |  |
| Learner ID number |  |  |
| Date |  |  |

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| Total possible marks | 190 | Minimum marks required (80%) | 152 |

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| **INTERNAL ASSESSMENT CRITERIA** | **QUESTION** | **GUIDELINES FOR ANSWER** | **MARKS** |
| KM05 IAC0101 | 1. Explain the flow of products from supplier to customer (supply chain) in the retail environment. |  | 10 |
| KM05 IAC0102 | 1. Explain what stock turn is |  | 3 |
| KM05 IAC0102 | 1. Explain what days cover is |  | 3 |
| KM05 IAC0102 | 1. Explain what weeks supply is |  | 2 |
| KM05 IAC0103 | 1. Explain how logistics and the supply chain impacts on stock availability |  | 7 |
| KM05 IZC0104 | 1. Explain how the chain store manager can influence the supply chain |  | 7 |
| KM05 IAC0201 | 1. Describe the impact of stock management on minimising overstocks and sold outs |  | 10 |
| KM05 IAC0202 | 1. Explain the following components of effective stock management:  * Inventory planning * Effective order cycles and replenishment * Balance in inventory categories * Inventory tracking |  | 10 |
| KM05 IAC0202 | 1. Explain the principles of managing stock levels:  * Threshold * Forecast * Product flow |  | 8 |
| KM05 IAC0203 | 1. Explain the principles of managing stock counts |  | 15 |
| KM05 IAC0204 | 1. Explain the principles of the receiving process:  * Inspect incoming goods * Identify and tag goods * Log in received goods |  | 10 |
| KM05 IAC0204 | 1. Explain the principles of managing stock in the stockroom |  | 10 |
| KM05 IAC0206 | 1. Explain the principles of managing stock in the sales area |  | 20 |
| KM05 IAC0207 | 1. Explain how to manage understock |  | 2 |
| KM05 IAC0207 | 1. Explain how to manage overstock and dead stock |  | 12 |
| KM05 IAC0301 | 1. Discuss the safety stock replenishment model |  | 4 |
| KM05 IAC0301 | 1. Discuss the reorder point model of stock replenishment |  | 4 |
| KM05 IAC0301 | 1. Explain what demand forecasting is |  | 3 |
| KM05 IAC0302 | 1. Explain the role of the buyer |  | 5 |
| KM05 IAC0302 | 1. Explain the role of the planner |  | 3 |
| KM05 IAC0303 | 1. Explain how the chain store manager can influence the buying and replacement process to improve stock turns. Give examples |  | 13 |
| KM05 IAC0401 | 1. Explain what product mix is |  | 7 |
| KM05 IAC0401 | 1. Explain the influence of product mix on the bottom line |  | 5 |
| KM05 IAC0402 | 1. Explain the principles of category management |  | 5 |
| KM05 IAC0402 | 1. Explain the aims of category management |  | 4 |
| KM05 IAC0402 | 1. Explain the impact of the brand’s image and target market on product mix allocation |  | 3 |
| KM05 IAC0403 | 1. Explain the disadvantage of all stores in the chain having to sell the same product mix |  | 2 |
| KM05 IAC0404 | 1. Discuss, with examples, how the chains store managers can influence the product mix for the store |  | 3 |