



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

CENTRE FOR ENTERPRISE DEVELOPMENT (CED)

QUALIFICATION CODE : 06DBPM	LEVEL : 6
COURSE CODE: ISM521C	COURSE NAME: INTRODUCTION TO SUPPLY CHAIN MANAGEMENT
DATE: JUNE 2022	MODE: PM
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINERS:	Ms H. NUUYANDJA
MODERATOR:	Ms G. TSHOOPARA

INSTRUCTIONS
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers correctly.

PERMISSIBLE MATERIALS

1. Examination paper
2. Examination script

THIS QUESTION PAPER CONSISTS OF 5 PAGES (INCLUDING THIS FRONT PAGE)

QUESTION 1: MULTIPLE CHOICE QUESTIONS

[2X15]

- 1.1 Which statement regarding typical supply chain flows is best?
- a) The flow of goods and information goes both ways.
 - b) The flow of goods is downstream and the flow of information is upstream.
 - c) The flow of goods is upstream and the flow of information is downstream.
 - d) The flow of goods is downstream but information is held by all companies.
- 1.2 The sequence of a typical manufacturing supply chain is
- a) Storage–Supplier–manufacturing–storage–distributor–retailer–customer
 - b) Supplier–Storage–manufacturing–storage–distributor–retailer–customer
 - c) Supplier–Storage–manufacturing– distributor–storage–retailer–customer
 - d) Supplier–Storage–manufacturing–storage– retailer–distributor–customer
- 1.3 Reverse supply chain is employed for the following reasons, EXCEPT:
- a) Repairs
 - b) Disposal
 - c) Recycling
 - d) Quality control
- 1.4 Logistics clearly contributes to _____ and _____ utility.
- a) time; place
 - b) form; time
 - c) place; form
 - d) possession; time
 - e) none of the above
- 1.5 Which would we expect from a JIT plant as compared to a plant that does not use JIT?
- a) More inventory held at the plant.
 - b) More assembly hours per unit.
 - c) More deliveries of inventory.
 - d) More defects per unit.
- 1.6 The bullwhip effect:
- a) is an ineffective way to motivate warehouse employees

- b) applies to rodeos and has nothing to do with supply chain management
 - c) refers to the “swaying” motion associated with triple trailers
 - d) refers to variability in demand orders among supply chain participants
- 1.7 Logistic network which moves finished product from company to resellers and then to end users is classified as
- a) risk averse distribution
 - b) reverse distribution
 - c) inbound distribution
 - d) outbound distribution
- 1.8 Which of the following is a method for eliminating the bullwhip or ‘Forrester Effect’?
- a) Timely communication of sales figures throughout the supply chain
 - b) The stabilisation of lead times throughout the supply chain
 - c) Increased accuracy of stock levels throughout the supply chain
 - d) Ensuring realistic Bills of Materials throughout the supply
- 1.9 The main objective of inventory management is:
- a) Keep track of quantities of all products in stock
 - b) Determine optimal ordering quantities
 - c) To avoid dead stock and large buffer stocks
 - d) To increase profitability by decreasing inventory related costs and increasing fill rates
- 1.10 The three functions of warehousing operations are:
- a) Movement, consolidation and storage
 - b) Receive, Storage, and dispatch
 - c) Receiving, transfer and shipping
 - d) Order picking, semi-permanent storage and information transfer
- 1.11 Purchasing managers are responsible for the management of:
- a) Price changes in raw materials
 - b) Adaptation of purchase orders to changes in production plans
 - c) The quality of relations with suppliers
 - d) Each of the above (all are correct answers)

- 1.12 An important disadvantage of using JIT is:
- a) Reduced inventory turnover rates
 - b) Shipping costs increase as LTL movements are made
 - c) An increase in manufacturing cycle times
 - d) The use of greater numbers of carriers
- 1.13 All the following are inventory risk costs except:
- a) Obsolescence
 - b) Taxes
 - c) Damage
 - d) Shrinkage
- 1.14 Which of the following is a key part of a decision to outsource?
- a) Make or buy
 - b) Win or lose
 - c) Buy or sell
 - d) Pass or fail
- 1.15 ____ refers to the raw materials, component parts, and supplies bought from outside organizations to support a company's operations.
- a) Inbound logistics
 - b) Procurement
 - c) Materials management
 - d) Supply management

Sub-total: 30 Marks

QUESTION 2

- 2.1 Define supply chain management. What are the differences/similarities between logistics and supply chain management? (10 marks)
- 2.2 Discuss any 5 supply chain challenges (10 marks)
- 2.3 Companies or business organisations today operate in a globalised economy. However, interdependence and connectedness are necessary requirements for global business success. Outline any five advantages and five disadvantages of globalisation generally? (10 marks)

Sub-total: 30 Marks

QUESTION 3

- 3.1 Differentiate between procurement and purchasing. (10 marks)
- 3.2 Lists four (4) Classification of inventory based on its position in the supply chain and five (5) Classification of inventory based on its purpose. (9 marks)
- 3.3 Discuss the four (4) categories of inventory carrying costs. (12 marks)
- 3.4 Distinguish between lean and agile supply chain strategy (9 marks)

Sub-total: 40 Marks

Grand Total: 100 marks