



**PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

**CENTRE FOR ENTERPRISE DEVELOPMENT
CATS PROGRAMME**

QUALIFICATION: CERTIFICATE IN BUSINESS PROCESS MANAGEMENT	
QUALIFICATION CODE: 21CABM	LEVEL: 5
COURSE CODE: FLM511C	COURSE NAME: FUNDAMENTALS OF LOGISTICS MANAGEMENT
SESSION: JANUARY 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	Ms. Gloria Tshoopara
MODERATOR:	Ms Hilma Kotti-Nuuyandja

INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers clearly.

THIS QUESTION PAPER CONSISTS OF 4 PAGES (Including this front page)

MULTIPLE CHOICE QUESTION

QUESTION 1

1. Warehouses emphasize _____ and their primary purpose is to maximize? **(2 marks)**
 - a) product storage; throughput
 - b) product storage; usage of available storage space
 - c) rapid movement of product; throughput
 - d) rapid movement of product, usage of available storage space

2. ____ and ____ refer to adjustments associated with the quantity of product. **(2 marks)**
 - a) Accumulating, Allocating
 - b) Allocating, Assorting
 - c) Sorting, Accumulating
 - d) Sorting, Assorting

3. The objectives of purchasing include: **(2 marks)**
 - a) Obtaining the goods and services at the highest price
 - b) Obtaining goods and services of the lowest quality
 - c) Ensuring the best possible service and prompt delivery by the supplier
 - d) Obtaining goods and services at any quantity

4. ____ refers to a process where a product is received in a facility, occasionally married with product going to the same destination, and then shipped at the earliest time, without going into longer-term storage. **(2 marks)**
 - a) Just-in-time
 - b) Cross-docking
 - c) Consolidation
 - d) Turbologistics

5. ____ warehousing is owned or occupied on a long-term lease by the firm using them. **(2 marks)**
 - a) Public
 - b) Private
 - c) Contract
 - d) Multi-client

6. Rail has the largest shipping capacity compared to all except: **(2 marks)**
 - a) pipeline
 - b) air carrier
 - c) water carrier
 - d) motor carrier
 - e) none of the above

7. Air freight is costly, but its speed may create savings because: **(2 marks)**
- a) The extensive availability of airports
 - b) Lower inventory
 - c) Getting store shelves before water carriers
 - d) Lower cost created by FIFO
 - e) Other transportation modes take more time
8. There are five basic transportation modes. They are air carrier, motor carrier, and: **(2 marks)**
- a) Pipelines, railways and water carriers
 - b) Railways, ocean vessels, and dirigibles
 - c) Trucks, canals and robotics
 - d) Water routes, railways and trucks
 - e) Pipeline, water routes and ocean vessels
9. Lead time and order cycle time are the same as: **(2 marks)**
- a) Customer service time
 - b) Supply chain flow
 - c) Logistical clock age
 - d) Replenish time
 - e) Real time service time
10. The total logistics cost includes expenses associated with transportation, material handling and: **(2 marks)**
- a) Customer complaints, cost of food and highway usage taxes
 - b) Warehousing, inventory, stock outs and order processing
 - c) Inventory control with sales forecasting
 - d) Stock outage control with sales forecasting
 - e) Historical figures weighted by last years numbers
11. What is the fundamental difference between logistics and supply chain management? **(2 marks)**
- a) One is more concerned with the distribution of manufactured goods
 - b) Supply chain management is more concerned with outbound logistics
 - c) Logistics is more concerned with transport
 - d) Logistics includes internal storage and movement of materials
12. The primary advantage for motor carriers is _____. **(2 marks)**
- a) Reliability
 - b) Speed
 - c) Capability
 - d) Flexibility

13. All of the following are suggestions for dealing with dead stock (inventory), except: (2 marks)

- a) aggressive marketing
- b) donate to charities
- c) make to stock
- d) throwing it away
- e) all are suggestions

Sub-total: (26 marks)

QUESTION 2

Complete the following definitions?

2.1 "Logistics is that part of SCM that plans, implements, and a) _____ the efficient, effective, b) _____ and reverse flow and storage of goods, services, and related c) _____ between the point of d) _____ and point of consumption in order to meet customers' requirements." (4 marks)

2.2 _____ (a is the design and management of processes across organizational boundaries with the goal of matching b) _____ c) _____ in the most d) _____ way. (4 marks)

2.3 _____ (a moving some of the firms b) _____ and decisions to outside providers. (2 marks)

Sub-total: (10 marks)

QUESTION 3

3.1 Economic utility is the value or usefulness of a product in fulfilling customer needs or wants. List the four general types of economic utility: (4 marks)

3.2 Define what is meant by inventory carrying costs. What are some of its main components? (10 marks)

3.3 Which supply chain participant(s) should be responsible for managing inventory levels? Why? (10 marks)

QUESTION 4

Discuss any 5 advantages and 5 disadvantages of private warehousing? (20 marks)

QUESTION 5

Discuss the post transactional elements of customer service components? (20 marks)

TOTAL = 100 MARKS



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QUALIFICATION CODE: 21CABM	LEVEL: 5
COURSE CODE: FLM 511C	COURSE NAME: FUNDAMENTALS OF LOGISTICS MANAGEMENT
SESSION: NOVEMBER 2018	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER	Ms. Gloria Tshoopara
MODERATOR:	Ms. Hilma Kotti-Nuuyandja
INSTRUCTIONS	
1. Answer ALL questions 2. Write clearly and neatly 3. Number the answers correctly	

THIS QUESTION PAPER CONSISTS OF 8 PAGES (Including this front page)

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SECTION A [32 MARKS]

QUESTION 1

- 1.1 The risk that goods go out of fashion is: (2 marks)
- a) Ordering cost
 - b) Holding cost
 - c) Should not be included
 - d) Out of stock cost
- 1.2 The re-order point is: (2 marks)
- a) The level inventory will have reached when delivery is made.
 - b) The point at which stock will fall to zero minus lead-time.
 - c) The point when stock reaches zero.
 - d) The point when one unit of stock remains in stock.
- 1.3 Which of the following statements is NOT true? (2 marks)
- a) Class C items usually comprise 50% of total items, but only 10% of the total value.
 - b) Class B items typically account for 40% of total value and 30% of the items.
 - c) Class A items are those 20% of high usage items, which generally account for 80% of total usage value.
 - d) Pareto's law states that typically 20% of stocked items account for 80% of value.
- 1.4 Which of the following costs generally increase as order size is increased? (2 marks)
- a) Cost of placing the order
 - b) Stock-out costs
 - c) Production inefficiency costs
 - d) Price discount costs
- 1.5 Which of the following would generally be a motive for a firm to hold inventories? (2 marks)
- a) to decouple or separate parts of the production process
 - b) to provide a stock of goods that will provide a selection for customers
 - c) to take advantage of quantity discounts
 - d) to minimize holding costs
 - e) All of the above are functions of inventory.
- 1.6 The cost of insurance and taxes are included in (2 marks)
- a) Cost of ordering
 - b) Set up cost
 - c) Inventory carrying cost
 - d) Cost of shortages

- 1.7 Buffer stock' is the level of stock (2 marks)
- a) Half of the actual stock
 - b) At which the ordering process should start
 - c) Minimum stock level below which actual stock should not fall
 - d) Maximum stock in inventory
- 1.8 Supply chain is concerned with the (2 marks)
- a) flow of raw materials, WIP and finished products in the forward direction
 - b) flow of information in both the directions
 - c) flow of cash in the reverse direction
 - d) flow of materials in the forward direction and that of cash in the reverse direction
 - e) flow of materials in the forward direction, cash in the reverse direction and information in both the directions
- 1.9 The objective of a supply chain is: (2 marks)
- a) to improve the efficiency across the whole supply chain
 - b) to improve responsiveness across the whole supply chain
 - c) to deliver improved value to the customers
 - d) to improve the efficiency and responsiveness across the whole supply chain and also deliver improved value to the customers
 - e) to improve the responsiveness across the whole supply chain and deliver improved value to the customers
- 1.10 Which of the following is not a way to reduce inventory levels? (2 marks)
- a) smaller, more frequent orders
 - b) use of premium transportation
 - c) supply-push replenishment
 - d) elimination of slower moving products
- 1.11 What is a fourth-party logistics provider? (2 marks)
- a) a third-party logistics provider that has been in existence for at least 25 years
 - b) a third-party logistics provider that has achieved ISO 9000 certification
 - c) a logistics intermediary that specializes in one logistics activity (e.g., transportation, warehousing)
 - d) a general contractor that coordinates the activities of third-party logistics providers
- 1.12 An underlying assumption of ____ forecasting is that future demand is dependent on past demand. (2 marks)
- a) trial and error
 - b) time series
 - c) judgmental
 - d) cause and effect

1.13 Which forecasting techniques tends to be appropriate when there is little or no historical data? (2 marks)

- a) exponential smoothing
- b) judgmental
- c) time series
- d) cause and effect

1.14. ____ compares a customer's actual experience with the expected experience. (2 marks)

- a) customer satisfaction
- b) customer service
- c) customer loyalty
- d) order management

1.15. The ability of logistics management to satisfy users in terms of time, dependability, communication, and convenience is the definition of: (2 marks)

- a) customer satisfaction
- b) the order cycle
- c) perfect order
- d) customer service

1.16 Inventories exist because: (2 marks)

- a) It is cheaper to produce in bulk.
- b) Cost of inventory is relatively low.
- c) There is a difference in the timing or rate of supply and demand.
- d) Inventory does not become obsolete.

Subtotal: 32 marks

SECTION B [68 MARKS]

QUESTION 2

2.1 Define Logistics Management, and discuss its significance to the Namibian economy? (10 marks)

2.2 Identify any 5 why a retailer would hold speculative stock? (10 marks)

2.3 List and briefly discuss any 3 qualitative methods of forecasting? (6 marks)

2.4 Briefly explain the 3 types of costs attached to stock out? (6 marks)

2.5 Give any 8 factors that can affect the size of a warehouse? (8 marks)

Subtotal: 40 marks

QUESTION 3

3.1 What is supply chain integration, list any 3 types of integration and provide examples? (8 marks)

3.2 Explain any 2 methods of customer service dimensions and elements? (8 marks)

3.3 Briefly, discuss any 4 roles of packaging in areas where packaging brings benefits? (12 marks)

Subtotal: 28 marks

TOTAL: 100 MARKS