



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

DEPARTMENT OF MARKETING AND LOGISTICS

QUALIFICATION: BACHELOR OF PROCUREMENT & SUPPLY CHAIN MANAGEMENT	
QUALIFICATION CODE: 07BPSM	LEVEL: 5
COURSE CODE: IPS511S	COURSE NAME: INTRODUCTION TO PROCUREMENT AND SUPPLY CHAIN MANAGEMENT
SESSION: JUNE 2022	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100
1ST OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS	
1. PLEASE ANSWER ALL QUESTIONS 2. YOU SHOULD LABEL ALL ANSWERS CORRECTLY AND CLEARLY 3. WRITE NEATLY AND CLEARLY	

THIS QUESTION PAPER CONSISTS OF 5 PAGES (Including this front page)

SECTION A [MULTIPLE CHOICE QUESTIONS – Q1.1 -Q 1.16]

Question 1

- 1.1 Which of the following statements is true? **(2 marks)**
- a) Supply chain is a subset of logistics.
 - b) Transportation and logistics are same.
 - c) Logistics and supply chain are same.
 - d) Physical distribution and logistics are the same.
 - e) Logistics is a subset of supply chain
- 1.2 If a customer visiting a departmental store cannot find his desired soap manufactured by Dove Ltd in the store, which of the following chain partner will he hold responsible for the non-availability of the soap? **(2 marks)**
- a) The suppliers of raw materials and components
 - b) The distributor
 - c) Dove Ltd
 - d) The logistics service provider
 - e) The departmental store
- 1.3 One major factor that has stimulated the globalisation process is: **(2 marks)**
- a) Effective utilisation of resources
 - b) Increase in income and wealth
 - c) Willingness to cooperate
 - d) Rapid improvement in technology
- 1.4 Globalisation by connecting countries leads to: **(2 marks)**
- a) Lesser competition among producers
 - b) Greater competition among producers
 - c) No competition between producers
 - d) None of these
- 1.5 The movement and storage of materials within a firm refers to: **(2 marks)**
- a) Physical distribution
 - b) Inbound logistics
 - c) Materials management
 - d) Procurement
- 1.6 A cost trade-off is a situation where: **(2 marks)**
- a) All costs react according to their individual degrees of inflation in the economy
 - b) All costs are reflected as a percentage variation from standard costs
 - c) Some costs increase, some decrease, and the net effect is that total costs decrease
 - d) Some costs are eliminated by efficient management controls

1.7 A primary aim of a procurement should be to achieve **(2 marks)**

- a) Stock Control
- b) Value for money
- c) Outsourcing
- d) Inventory management

1.8 Company A makes widgets and sells them to Company B, who incorporates some software and other materials to produce gadgets. Company B sells these gadgets to Company C, the end user. Which is the best statement regarding the relationship among Companies A, B, and C? **(2 marks)**

- a) Company B is upstream from Company A.
- b) Company B is a second tier supplier of Company A.
- c) Company A is a first tier supplier for Company C.
- d) Company C is downstream from both Company A and Company B

1.9 Frank has a meeting with a business that supplies raw materials to a supplier from which Frank buys finished products. Frank knows that working with suppliers throughout the supply chain can aid transparency. What is the name for the levels of suppliers in a supply chain? of these is NOT a flow that moves up and down the supply chain? **(2 marks)**

- a) Traders
- b) Steps
- c) Stages
- d) Tiers

1.10 An agile supply chain takes care of: **(2 marks)**

- a) A high level of demand uncertainty
- b) A high level of both demand and supply uncertainty
- c) Either demand Supply Chain disruptions
- d) or supply uncertainty

1.11 In order to ensure value for money organisations must strive for **(2 marks)**

- a) timely delivery
- b) efficient and effective administration
- c) short supply chains
- d) inventory management

1.12 The term supply management is broader than the purchasing function because it: **(2 marks)**

- a) includes marketing
- b) includes operations/production
- c) includes managing relationships with suppliers
- d) includes negotiating enforceable contracts
- e) includes measuring the total cost of ownership

1.13 The term value chain means we include the supply chain in our analysis and management with: **(2 marks)**

- a) end consumer
- b) the downstream portion of the chain and distribution, such as marketing
- c) channels of distribution
- d) financial impact studies
- e) opportunity cost

1.14 What are firms called that provide advanced and integrated supply chain solutions? **(2 marks)**

- a) Freight forwarders
- b) Third-party logistics providers
- c) Transportation carriers
- d) Fourth-party logistics providers

1.15 What types of costs need to be considered in making global sourcing decisions? **(2 marks)**

- a) Transportation costs
- b) Production costs
- c) Inventory carrying costs
- d) All of the above

Question 1.16

State whether the below statements are True or False

- a) Logistics clearly contributes to time and form utility. **(1 mark)**
- b) An individual firm can only be involved in one supply chain at a time. **(1 mark)**
- c) Shipment routing and reverse logistics are common activities demanded by third-party logistics customers. **(1 mark)**
- d) Consumers are demanding about the same levels of service today as in years past. **(1 mark)**
- e) As a general rule, supply chain collaboration is widely and successfully applied. **(1 mark)**

Sub-total: 35 marks

SECTION B [DISCUSSION QUESTIONS – QUESTION 2 AND QUESTION 3]

Question 2

- 2.1 The supply chain process is fundamental to good supply chain management. It is used by companies to make their supply chain as efficient and cost-effective as possible and deliver customer value and give them a competitive advantage. There are five steps to the supply chain process, list those 5 steps. **(10 marks)**
- 2.2 List 10 global supply chain sourcing risks? **(10 marks)**
- 2.3 List and discuss the '5 rights of procurement' including how each might be achieved, provide an example for each right? **(15 marks)**

Sub-total: 35 marks

Question 3

- 3.1 Discuss the push, pull and push-pull supply chain strategy, and provide an example for each strategy? **(20 marks)**
- 3.2 Briefly, explain what a bullwhip effect is and list any 3 causes? **(10 marks)**

Sub-total: 30 marks

TOTAL: 100 MARKS

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