



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY
FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION
DEPARTMENT OF MARKETING AND LOGISTICS**

QUALIFICATION: BACHELOR OF PROCUREMENT AND SUPPLY CHAIN MANAGEMENT	
QUALIFICATION CODE: 07BPSM	LEVEL: 5
COURSE CODE: IPS511S	COURSE NAME: INTRODUCTION TO PROCUREMENT AND SUPPLY CHAIN MANAGEMENT
SESSION: JULY 2022	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Write clearly and neatly.3. Number the answers.4. This paper consists of Section A (Questions 1 and 2 allocated 40 Marks) & Section B (Questions 3 and 4 allocated 60 Marks)

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

SECTION A: MULTIPLE CHOICE AND TRUE/FALSE QUESTIONS

(40 Marks)

QUESTION 1: MULTIPLE CHOICE

(2X10=20 Marks)

Write the letter next to the correct answer.

- 1.1. According to supply chain experts, _____ has been at the centre of the changes taking place that affect the supply chain. (2 marks)
- a) logistics
 - b) warehousing
 - c) technology
 - d) customer power
- 1.2. Which of the following is not a routine occurrence in global supply chains? (2 marks)
- a) documentation errors
 - b) incomplete shipments
 - c) packaging errors
 - d) failure to follow order guidelines
 - e) all the above are routine occurrences
- 1.3. Reverse logistics is: (2 marks)
- a) Just another word for green logistics
 - b) A system that allows products to travel backward through a distribution channel
 - c) Used to find out about other companies' logistics system
 - d) The optimal rotation of cycle stock.
- 1.4. "Lean Thinking" can help reduce the total cost of ownership (TCO); this means the supply team in the entire "chain" must work to (2 marks)
- a) lower conversion cost
 - b) reduce the cycle time cost
 - c) reduce risk cost
 - d) reduce non-value costs
- 1.5. 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 cycles
 - c) Lead time
 - d) customer service
- 1.6. A primary aim of a procurement professional must be to achieve _____. (2 marks)
- a) value for money
 - b) stock control
 - c) inventory management
 - d) outsourcing
- 1.7. What is the point of warehouse management systems? (2 marks)
- a) To keep track of what is in the inventory

- b) To keep track of what is on the sales floor
- c) To keep track of all goods
- d) To keep track of goods in transit

1.8 What costs are considered in the basic EOQ model? (2 marks)

- a) annual ordering costs + annual holding costs
- b) annual purchasing costs + annual holding costs
- c) annual ordering costs + annual holding costs + annual shortage costs
- d) annual purchasing costs + annual ordering costs + annual holding costs + annual shortage costs

1.9 When we add the term networks to the supply and value chains, we are emphasizing the need to focus on and interactively communicate with: (2 marks)

- a) suppliers
- b) distributors
- c) final consumers
- d) tiers of suppliers
- e) all support organizations

1.10 Which of the following are the functions of warehousing? (2 marks)

- a) Consolidation
- b) Inbound logistics
- c) Breaking Bulk
- d) All of the above

Subtotal: 20 marks

QUESTION 2: TRUE/ FALSE

State whether the following statements are true or false: (2x10= 20 Marks)

- a) The term "value chain" includes both the upstream and downstream portion of the supply chain. (2 marks)
- b) Stock-outs refer to a situation where a company is out of an item while there is demand for that item (2 marks)
- c) Returned products represent one type of activity in the logistical channel. (2 marks)
- d) Long production runs sometimes result in excessive inventory of products with limited demand for them. (2 marks)
- e) Transportation specialists such as freight forwarders, shippers' associations, and transportation brokers can help achieve consolidation across the place for small shipments. (2 marks)
- f) Order processing refers to the time from when the customer places an order until the seller receives the order. (2 marks)
- g) In make-to-order situations, finished goods are produced after receiving a customer order. (2 marks)
- Customer service compares a customer's actual experience with the expected experience. (2 marks)
- h) Customer and consumer are synonymous concepts. (2 marks)
- i) Outsourcing all non-critical activities is a trend where the idea is to achieve significant cost leverage. (2 marks)

- j) Some of the benefits of utilizing information are ensuring visibility, streamlined order processing, and reduced lead time across the supply chain. (2 marks)

Sub-Total: 20 marks

SECTION A: 40 TOTAL MARKS

SECTION B: STRUCTURED QUESTIONS

(60 Marks)

QUESTION 3

In recent years, the procurement function in most companies has become subject to changes in its internal and external relations. This is possibly because it seems as if the procurement function in many firms has developed from one 'procurement department' into several organizational units that are organized differently concerning several other internal functions to cope with their different demands.

3.1 Compare and contrast the role of procurement management in relation to other functions in an organization? (20 marks)

3.2 The Faculty of Computing and Informatics at Namibia University of Science and Technology identified a need to buy 100 laptops to be used by students in the computer laboratory. Define the term Procurement Management and discuss the procurement process/cycle of these laptops? (20 marks)

Sub-Total: 40 marks

QUESTION 4

Shilongo Leather Works is a proudly Namibian company founded in 1986 by Mr. Shilongo. The manufacturing company specializes in the art production of highly valued leather products. The company has various outlets in the country.

4.1 Explain the major reasons why Mr. Shilongo needs to keep sufficient inventory? (10 marks)

4.2 Using Michael Porter's generic value chain analysis, advise Shilongo Leather on how they can use this business tool to drive efficiency in their organisation? (10 marks)

Sub-Total: 20 marks

SECTION B: 60 TOTAL MARKS

TOTAL EXAM MARKS: 100

THE END

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