



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF MANAGEMENT SCIENCES**

**DEPARTMENT OF MARKETING AND LOGISTICS**

<b>QUALIFICATION: BACHELOR OF LOGISTICS &amp; SUPPLY CHAIN MANAGEMENT</b>	
<b>QUALIFICATION CODE: 07BLSC</b>	<b>LEVEL: 7</b>
<b>COURSE CODE: SCM711S</b>	<b>COURSE NAME: SUPPLY CHAIN MANAGEMENT</b>
<b>SESSION: JULY 2019</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>

<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
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<b>MODERATOR</b>	Ms. Liina Erikson

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

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

**QUESTION 1**

**(10 X 2 Marks)**

**MULTIPLE CHOICE**

- 1. Why is it necessary to hold inventory throughout the supply chain?**
  - (a) Because channel participants are separated geographically
  - (b) To successfully achieve time utility
  - (c) To successfully achieve place utility
  - (d) All of the above
  
- 2. Which claim is not true about Pareto's law of 80/20 rule?**
  - (a) The rule claims that for a typical enterprise, 80% of all the products generate 20% of the total sales volume.
  - (b) The rule reflects that 20% of stock occupies 80% of the warehouse space
  - (c) The rule implies that a majority of sales results from relatively few products or customers
  - (d) The rule states 20% of value is generated by 80% value
  
- 3. This type of stock is kept to satisfy demand in anticipation for future demand.**
  - (a) Seasonal stock
  - (b) Cycle stock
  - (c) In-transit stock
  - (d) Speculative stock
  
- 4. The value chain connection between a firm and its customers is called:**
  - (a) Open Hint for Question 8 in a new window.
  - (b) CRM.
  - (c) Outbound logistics
  - (d) Inbound logistics
  

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- 5. The main objective of inventory management is:**
  - (a) Keep track of quantities of all products in stock
  - (b) To increase profitability by decreasing inventory related costs and increasing fill rates.
  - (c) Determine optimal ordering quantities
  - (d) To avoid dead stock and large buffer stocks
  
- 6. For a small Belgian chocolate manufacturer, the annual demand of raw cacao is 500 packs. The ordering costs are N\$30 per order placed. The carrying cost of the cacao value per year is N\$62.50. Based on the EOQ formula, what lot size should this product have?**
  - (a) 300
  - (b) 22
  - (c) 250
  - (d) 30

7. Which of the following is not an example of horizontal integration?
- (a) Facebook and Instagram
  - (b) Disney and Pixar
  - (c) Sony and Ericson
  - (d) Live Nation and Ticketmaster
8. Which of the following is an example of integration?
- (a) Improved scheduling of production & delivery
  - (b) Incur costs
  - (c) Reduce sharing
  - (d) Increase risks
9. The \_\_\_\_\_ model integrates business process re-engineering, benchmarking, and process measurements into a cross-functional framework.
- (a) Porter's five force
  - (b) EOQ
  - (c) SCOR
  - (d) JIT
10. Which of the following is not a cause of the bullwhip effect?
- (a) Aligning incentives across the supply chain
  - (b) Price fluctuations
  - (c) Long lead time
  - (d) Order batching

**Sub-Total: 20 Marks**

**QUESTION 2**

**(5 X2 Marks)**

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**Answer the following questions by indicating whether the below statements are TRUE or FALSE.**

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2.1 One limitation of the EOQ model is that it does not take into account the seasonal fluctuations in the cost of inventory.

2.2 Of the factors that make up total cost of ownership (TCO), the big majority of this cost is in the acquisition cost.

2.3 One of the advantages of collaborative relationships is that lower skill levels of procurement personnel are required.

2.4 Supply management is also known as procurement at many firms and government agencies.

2.5 ABC analysis facilitates the management of inventory according to the value it holds or the value derived from it.

**Sub-Total: 10 Marks**

### **QUESTION 3**

3.1 Identify any 3 companies of your choice that use the Just-in-time technique and analyse how the concept has yielded success for them? **(15 Marks)**

3.2 Discuss the four **levels** of integration? **(12 Marks)**

3.3 How can an enterprise apply the Porter's five force model to position itself strategically? **(20 Marks)**

3.4 With a company of your choice, explain how the company can apply the SCOR model concepts to attain efficiency and effectiveness? **(15 Marks)**

3.5 Discuss any four components on how a supply chain can realise a successful collaboration? **(8 Marks)**

**Sub-Total: 70 Marks**

**GRAND TOTAL: 100 Marks**