



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION  
DEPARTMENT OF MARKETING, LOGISTICS AND SPORTS MANAGEMENT**

<b>QUALIFICATION: POSTGRADUATE DIPLOMA: PROCUREMENT MANAGEMENT</b>	
<b>QUALIFICATION CODE: 08PDPM</b>	<b>LEVEL: 8</b>
<b>COURSE CODE: GSD801S</b>	<b>COURSE NAME: GLOBAL SUPPLY CHAIN DILIGENCE</b>
<b>SESSION: JULY 2024</b>	<b>PAPER: THEORY</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>
<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
<b>EXAMINER(S)</b>	Ms. Selma Kambonde
<b>MODERATOR:</b>	Mr. Tangeni Mwashekele
<b>INSTRUCTIONS</b>	
<ol style="list-style-type: none"><li>1. <b>Answer ALL the questions.</b></li><li>2. <b>Write clearly and neatly.</b></li><li>3. <b>Number your answers.</b></li></ol>	

**THIS QUESTION PAPER CONSISTS OF 6 PAGES (Including this front page)**

**SECTION A: MULTIPLE CHOICE QUESTIONS**

**(50 MARKS)**

**QUESTION 1**

**Answer the following questions. Only write down the correct answer, for example, 1.1 A**

**1.1 What lessons did supply chain managers learn from the Panama Canal drought regarding risk mitigation strategies? (2 marks)**

- a) Importance of relying solely on maritime transportation.
- b) Need for proactive monitoring of environmental factors affecting waterways.
- c) Decreased emphasis on diversifying transportation modes.
- d) Reliance on centralized supply chain operations.

**1.2 How does supply chain visibility contribute to effective risk management? (2 marks)**

- a) By reducing the need for risk assessment.
- b) By enabling real-time tracking of supply chain activities.
- c) By eliminating all potential risks in the supply chain.
- d) By minimizing the need for risk mitigation strategies.

**1.3 In SCRM, what does the "bullwhip effect" refer to? (2 marks)**

- a) A sudden increase in demand leading to stockouts.
- b) The impact of transportation disruptions on inventory levels.
- c) Supply chain disruptions caused by environmental factors.
- d) Exaggerated demand fluctuations throughout the supply chain.

**1.4 What is the main drawback of relying solely on risk transfer as a risk mitigation strategy? (2 marks)**

- a) It increases the likelihood of disruptions.
- b) It eliminates the need for risk assessment.
- c) It simplifies supply chain complexity.
- d) It shifts risks to other parties without addressing root causes.

**1.5 What is the primary objective of supply chain risk mapping? (2 marks)**

- a) To identify risks only within the immediate supply chain.
- b) To prioritize risks based on their potential impact and likelihood.
- c) To eliminate all risks before they materialize.
- d) To focus only on risks related to suppliers.

**1.6 How does supply chain risk management contribute to sustainability initiatives within organizations? (2 marks)**

- a) By reducing the need for sustainable practices.
- b) By incorporating ecological risks into risk assessments.
- c) By minimizing transparency and information sharing.
- d) By increasing reliance on single-source suppliers.

**1.7 What is the primary objective of conducting a supply chain risk assessment? (2 marks)**

- a) Identifying all potential risks in the supply chain.
- b) Prioritizing risks based on their potential impact and likelihood.
- c) Eliminating risks from the supply chain.
- d) Reducing costs associated with risk management.

**1.8 Which type of risk is often associated with disruptions in transportation and logistics?**

(2 marks)

- a) Market risk
- b) Financial risk
- c) Political risk
- d) Operational risk

**1.9 What does the term "supply chain resilience" refer to?**

(2 marks)

- a) The ability to eliminate all risks in the supply chain.
- b) The practice of avoiding risk mitigation strategies altogether.
- c) The reliance on a single-source supplier for stability.
- d) The capacity to quickly recover from disruptions and adapt to changes.

**1.10 In supply chain risk management, what does the "ripple effect" of a disruption refer to?**

(2 marks)

- a) The complete avoidance of disruptions due to effective risk management.
- b) The redistribution of risks among supply chain partners.
- c) The minimization of costs associated with disruptions.
- d) The amplification of a disruption's impact across the entire supply chain.

**1.11 How can scenario planning be beneficial in supply chain risk management?**

(2 marks)

- a) By ensuring that disruptions never occur in the supply chain.
- b) By reducing the need for risk assessment and management.
- c) By increasing dependencies on single-source suppliers.
- d) By providing insights into potential risks and effective response strategies.

**1.12 Which risk mitigation strategy involves creating redundant systems or processes to reduce the impact of disruptions?**

(2 marks)

- a) Risk Acceptance
- b) Risk avoidance
- c) Risk transfer
- d) Risk buffering

**1.13 What role does supply chain transparency play in effective risk management?** (2 marks)

- a) It hinders effective risk assessment.
- b) It minimizes the need for risk mitigation strategies.
- c) It enables better risk identification and response planning.
- d) It increases dependencies on individual supply chain partners.

**1.14 How does the complexity of supply chains contribute to risk management challenges?**

(2 marks)

- a) It simplifies risk assessment and mitigation efforts.
- b) It reduces dependencies among supply chain partners.
- c) It increases the likelihood of disruptions and their impacts.
- d) It eliminates the need for contingency planning.

**1.15 What is a common challenge in implementing supply chain risk management strategies across global supply chains?** (2 marks)

- a) Limited access to advanced technology for risk monitoring.
- b) Lack of support and commitment from top management.
- c) Overemphasis on risk avoidance strategies.
- d) Insufficient collaboration among supply chain partners.

**1.16 What is the main drawback of relying solely on risk transfer as a risk mitigation strategy?** (2 marks)

- a) It increases the likelihood of disruptions.
- b) It eliminates the need for risk assessment.
- c) It simplifies supply chain complexity.
- d) It shifts risks to other parties without addressing root causes.

**1.17 How can supply chain mapping and visualization tools aid in supply chain risk management?** (2 marks)

- a) By reducing supply chain transparency.
- b) By eliminating the need for risk assessment.
- c) By providing insights into supply chain dependencies and vulnerabilities.
- d) By increasing dependencies on single-source suppliers.

**1.18 Which risk management framework emphasizes the integration of environmental and social risks into supply chain risk assessments?** (2 marks)

- a) ERM
- b) TBL approach
- c) Six Sigma methodology
- d) TQM

**1.19 Which of the following risk assessment frameworks is commonly used for analysing external factors in supply chain risk management?** (2 marks)

- a) The 4T approach
- b) PEESTLE Analysis
- c) JIT systems
- d) The PPRR model

**1.20 Excluding cost, which of the following criteria describes the primary drivers for transportation mode selection?** (2 marks)

- a) Accessibility, capacity, transit time, reliability, and safety
- b) Capacity, transit time, safety, supply chain security participation, and availability
- c) Accessibility, capacity, transit time, reliability, and financial stability

d) Capacity, transit time, reliability, safety, and supply chain security participation

**1.21 How can the use of appropriate Incoterms mitigate the risk of financial loss and transportation delays for a company engaging in international trade? (2 marks)**

- a) By transferring responsibility for transportation and insurance costs to the buyer, reducing the seller's financial liability and risk during transit.
- b) By establishing clear guidelines for customs procedures and documentation, ensuring smoother customs clearance, and minimizing the risk of delays or fines.
- c) By standardizing delivery terms and responsibilities between buyers and sellers, reducing misunderstandings and disputes that can lead to supply chain disruptions.
- d) All the above.

**1.22 What regulatory framework sets standards for international trade, including tariffs, quotas, and customs procedures? (2 marks)**

- a) GATT
- b) NAFTA
- c) ASEAN
- d) WTO

**1.23 Which supply chain network design strategy involves consolidating inventory at different locations for efficient distribution? (2 marks)**

- a) Centralized distribution
- b) Decentralized distribution
- c) Cross-docking
- d) Hub-and-Spoke model

**1.24 What does supply chain integration refer to? (2 marks)**

- a) Limiting communication and collaboration among supply chain partners
- b) Fragmentation of supply chain processes
- c) Seamless coordination and information sharing among supply chain partners
- d) Outsourcing key supply chain functions

**1.25 Which optimization technique aims to balance inventory levels with customer demand while minimizing holding costs? (2 marks)**

- a) EOQ
- b) JIT
- c) Safety stock management
- d) ABC analysis

**SECTION A: 50 TOTAL MARKS**

**SECTION B: STRUCTURED QUESTIONS****(50 MARKS)****QUESTION 2**

Carbo Namibia (Pty) Ltd, situated in Grootfontein in northern Namibia, started its operations in 2005 as a charcoal-producing and processing plant. Over the years, Carbo Namibia has evolved into a multi-functional, conveyor-based, and technologically advanced sieving, processing, and manufacturing plant. The company specializes in the production, processing, and packaging of high-quality Namibian charcoal products. Carbo Namibia's reach extends beyond the borders of Namibia, as it is an exporter of Namibian-procured, processed, manufactured, and packed charcoal products. Its primary export destinations include the UK, Western Europe, and South Africa.

2.1 Analyse how Carbo Namibia (Pty) Ltd can optimize its supply chain performance by balancing efficiency and responsiveness, to meet the diverse demands of its export markets while ensuring cost-effectiveness and timely customer delivery **(30 marks)**

2.2 Briefly discuss the strategies that Carbo Namibia (Pty) Ltd can adopt to incorporate sustainability measures within its supply chain processes, aiming to mitigate adverse effects, strengthen accountability, and secure enduring viability in the manufacturing and exporting of Namibian charcoal items to global markets? Additionally, explain the methods through which Carbo Namibia (Pty) Ltd can assess the environmental impact of its supply chain activities? **(20 Marks)**

**SECTION B: 50 TOTAL MARKS****TOTAL MARKS :100**