



NAMIBIA  
UNIVERSITY  
OF SCIENCE AND  
TECHNOLOGY

**HP-GSB**  
HAROLD PUPKEWITZ  
Graduate School of Business

**FACULTY OF COMMERCE; HUMAN SCIENCES AND EDUCATION**

**HAROLD PUPKEWITZ GRADUATE SCHOOL OF BUSINESS**

<b>QUALIFICATION: DIPLOMA IN BUSINESS PROCESS MANAGEMENT</b>	
<b>QUALIFICATION CODE: 06DBPM</b>	<b>LEVEL: 5</b>
<b>COURSE CODE: ISM511C</b>	<b>COURSE NAME: INTRODUCTION TO SUPPLY CHAIN MANAGEMENT</b>
<b>SESSION: JULY 2024</b>	<b>PAPER: PAPER 1</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>

**SECOND OPPORTUNITY EXAMINATION – QUESTION PAPER**

**EXAMINER(S)** Ms. Hilma Nuuyandja

**MODERATOR:** Ms. Gloria Tshoopara

**INSTRUCTIONS**

1. Answer ALL the questions.
2. Write clearly and neatly.
3. Number the answers clearly.

**PERMISSIBLE MATERIALS**

1. Examination paper
2. Examination script

**THIS QUESTION PAPER CONSISTS OF 4 PAGES (INCLUDING THIS FRONT PAGE)**

**QUESTION 1: MULTIPLE CHOICE QUESTIONS**

**[2X15]**

- 1.1 Which statement regarding typical supply chain flows is best?
- a) The flow of goods and information goes both ways.
  - b) The flow of goods is downstream and the flow of information is upstream.
  - c) The flow of goods is upstream and the flow of information is downstream.
  - d) The flow of goods is downstream but information is held by all companies.
- 1.2 The sequence of a typical manufacturing supply chain is
- a) Storage–Supplier–manufacturing–storage–distributor–retailer–customer
  - b) Supplier–Storage–manufacturing–storage–distributor–retailer–customer
  - c) Supplier–Storage–manufacturing– distributor–storage–retailer–customer
  - d) Supplier–Storage–manufacturing–storage– retailer–distributor–customer
- 1.3 Reverse supply chain is employed for the following reasons, EXCEPT:
- a) Repairs
  - b) Disposal
  - c) Recycling
  - d) Quality control
- 1.4 Logistics clearly contributes to \_\_\_\_\_ and \_\_\_\_\_ utility.
- a) time; place
  - b) form; time
  - c) place; form
  - d) possession; time
  - e) none of the above
- 1.5 Which would we expect from a JIT plant as compared to a plant that does not use JIT?
- a) More inventory held at the plant.
  - b) More assembly hours per unit.
  - c) More deliveries of inventory.
  - d) More defects per unit
- 1.6 The bullwhip effect:
- a) is an ineffective way to motivate warehouse employees
  - b) applies to rodeos and has nothing to do with supply chain management
  - c) refers to the “swaying” motion associated with triple trailers
  - d) refers to variability in demand orders among supply chain participants
- 1.7 Logistic network which moves finished product from company to resellers and then to end users is classified as
- a) risk averse distribution
  - b) reverse distribution
  - c) inbound distribution
  - d) outbound distribution

- 1.8 Which of the following is a method for eliminating the bullwhip or 'Forrester Effect'?
- Timely communication of sales figures throughout the supply chain
  - The stabilisation of lead times throughout the supply chain
  - Increased accuracy of stock levels throughout the supply chain
  - Ensuring realistic Bills of Materials throughout the supply
- 1.9 The main objective of inventory management is:
- Keep track of quantities of all products in stock
  - Determine optimal ordering quantities
  - To avoid dead stock and large buffer stocks
  - To increase profitability by decreasing inventory related costs and increasing fill rates
- 1.10 The three functions of warehousing operations are:
- Movement, consolidation and storage
  - Receive, Storage, and dispatch
  - Receiving, transfer and shipping
  - Order picking, semi-permanent storage and information transfer
- 1.11 Purchasing managers are responsible for the management of:
- Price changes in raw materials
  - Adaptation of purchase orders to changes in production plans
  - The quality of relations with suppliers
  - Each of the above (all are correct answers)
- 1.12 An important disadvantage of using JIT is:
- Reduced inventory turnover rates
  - Shipping costs increase as LTL movements are made
  - An increase in manufacturing cycle times
  - The use of greater numbers of carriers
- 1.13 All the following are inventory risk costs except:
- Obsolescence
  - Taxes
  - Damage
  - Shrinkage
- 1.14 Which of the following is a key part of a decision to outsource?
- Make or buy
  - Win or lose
  - Buy or sell
  - Pass or fail
- 1.15 The purpose of supply chain management is

- a) Provide customer satisfaction
- b) Improve quality of a product
- c) Integrating supply and demand management
- d) Increase production

**Sub-total: 30 Marks**

**QUESTION 2**

**STATE WHETHER THE FOLLOWING STATEMENTS ARE TRUE OR FALSE [2X10]**

- 2.1 Supply chain management refers only to the management of goods and materials flowing from suppliers to manufacturers.
- 2.2 Effective supply chain management can improve a company's financial performance by reducing costs and increasing revenue.
- 2.3 Supply chain visibility refers to the ability to track products and materials as they move through the supply chain.
- 2.4 Supply chain risk management is focused solely on minimizing the impact of demand fluctuation.
- 2.5 The primary goal of supply chain management is to minimize costs at all costs.
- 2.6 Effective supply chain management requires collaboration and coordination among all stakeholders.
- 2.7 Lean supply chain management is focused on minimizing inventory levels to reduce waste.
- 2.8 Supply chain management is only concerned with the logistics of moving goods from one location to another.
- 2.9 The ABC analysis is a technique used to classify inventory items into different categories based on their suppliers relationship.
- 2.10 Inventory shrinkage refers to the loss of inventory due to theft, damage, or other causes.

**Sub-total: 20 Marks**

**QUESTION 3**

- 3.1 Name and discuss any five (5) points why Supply Chain Management is important? Your discussion should be aided by examples. (20 marks)
- 3.2 Identify and discuss three types of risks that can disrupt supply chain operations, and provide examples for each. (10 marks)
- 3.3 Discuss the four (4) categories of inventory carrying costs. (10 marks)  
Categories of inventory carrying costs
- 3.4 Distinguish between Lean and Agile supply chain strategies. (10 marks)

**Sub-total: 50 Marks**

**Grand Total: 100 Marks**