



FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

HAROLD PUPKEWITZ GRADUATE SCHOOL OF BUSINESS

QUALIFICATION: DIPLOMA IN BUSINESS PROCESS MANAGEMENT	
QUALIFICATION CODE: 06DBPM	LEVEL: 6
COURSE CODE: OLM611C	COURSE NAME: OPERATIONAL LOGSITICS MANAGEMENT
SESSION: JUNE 2023	PAPER: PAPER 1
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
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MODERATOR:	Ms. H. Nuuyandja

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

PERMISSIBLE MATERIALS

- a) Examination paper
- b) Examination script

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

SECTION A

QUESTION 1

- 1.1 What is the key difference between a push-and-pull supply chain strategy? **[2 marks]**
- c) Push strategies rely on accurate demand forecasting, while pull strategies focus on flexible production capacity.
 - d) Push strategies minimise inventory levels, while pull strategies prioritise fast delivery times.
 - e) Push strategies involve centralising decision-making, while pull strategies delegate decision-making to individual locations.
 - f) Push strategies require high coordination among supply chain partners, while pull strategies allow for more partner autonomy.
- 1.2 Which of the following is a primary advantage of docking in logistics operations? **[2 marks]**
- a) Reduced lead times
 - b) Improved delivery accuracy
 - c) Increased product variety
 - d) Enhanced order traceability
- 1.3 Which of the following is a primary disadvantage of using a make-to-order production strategy? **[2 marks]**
- a) Longer lead times
 - b) Higher inventory holding costs
 - c) Reduced production flexibility
 - d) Lower customer satisfaction levels
- 1.4 Which supply chain risks are associated with changes in consumer preferences or market trends? **[2 marks]**
- a) Demand risk
 - b) Supply risk
 - c) Operational risk
 - d) Financial risk
- 1.5 Which of the following is a primary advantage of using intermodal transportation? **[2 marks]**
- a) Lower transportation costs
 - b) Faster transit times
 - c) Higher cargo capacity
 - d) Improved shipment security
- 1.6 Which transportation modes are best suited for transporting hazardous materials? **[2 marks]**
- a) Truck
 - b) Rail
 - c) Air
 - d) Water

1.7 Which of the following statements best describes the role of procurement in a supply chain?

[2 marks]

- a) Procurement is primarily responsible for selecting the most cost-effective transportation modes for shipping goods.
- b) Procurement is responsible for managing relationships with suppliers and ensuring timely delivery of goods and services.
- c) Procurement is responsible for managing inventory levels and minimising stockouts.
- d) Procurement is responsible for overseeing production processes and ensuring product quality.

1.8 What is the primary disadvantage of using a centralised distribution network in a supply chain?

[2 marks]

- a) Higher transportation costs
- b) Longer lead times.
- c) Reduced order fulfilment accuracy
- d) Limited flexibility in response to demand changes

1.9 Which of the following statements best describes logistics?

[2 marks]

- a) The process of planning and executing the transportation and storage of goods from the point of origin to the point of consumption
- b) The process of selecting suppliers and managing supplier relationships to ensure the timely and cost-effective delivery of goods and services.
- c) The process of converting raw materials into finished products
- d) The process of optimising the use of resources to meet customer demand while minimising costs.

1.10 Which supply chain risks are associated with natural disasters and geopolitical events? [2 marks]

- a) Demand risk
- b) Supply risk
- c) Operational risk
- d) Financial risk

1.11 Which of the following statements best describes the role of transportation in a supply chain?

[2 marks]

- a) Transporting goods from one location to another is a necessary but relatively minor aspect of supply chain management.
- b) Transportation is a critical component of supply chain management, as it enables goods to be moved from the point of origin to the point of consumption.
- c) Transportation is only necessary for goods that are manufactured overseas or transported over long distances.
- d) Transportation is primarily the responsibility of logistics providers and has little impact on the overall effectiveness of a supply chain.

1.12 According to the theory of absolute advantage, which country should specialise in producing a good? Why? **[2 marks]**

- a) The country with the lowest opportunity cost should specialise in producing a good because it can produce the good more efficiently.
- b) The country with the highest opportunity cost should specialise in producing a good because it can produce the good more efficiently.
- c) The country with the highest opportunity cost should specialise in producing a good because it cannot produce the good efficiently.

1.13 Can a country have a comparative advantage in producing all goods? Why or why not? **[2 marks]**

- a) Yes, a country can have a comparative advantage in producing all goods because it can produce everything more efficiently than other countries.
- b) No, a country cannot have a comparative advantage in producing all goods because there are always trade-offs and opportunity costs.
- c) It is impossible to determine if a country can have a comparative advantage in producing all goods.

1.14 What are the assumptions of the theory of comparative advantage? Do these assumptions hold in reality? **[2 marks]**

- a) The assumptions are that there are only two countries and two goods, and that there are no transportation costs or barriers to trade. These assumptions do not hold in reality.
- b) The assumptions are that there are many countries and many goods, and that transportation costs and barriers to trade are minimal. These assumptions hold in reality.
- c) The assumptions are that there are many countries and many goods, and that transportation costs and barriers to trade are non-existent. These assumptions do not hold in reality.

1.15 How can a country benefit from trade if it does not have an absolute advantage in producing any goods? **[2 marks]**

- a) The country can benefit from trade by specialising in the production of a good in which it has a comparative advantage.
- b) The country cannot benefit from trade if it does not have an absolute advantage in producing any goods.
- c) The country can benefit from trade by only importing goods and not exporting anything.

1.16 Does the theory of comparative advantage imply that countries should only export goods in which they have a comparative advantage? Explain. **[2 marks]**

- a) Yes, the theory of comparative advantage implies that countries should only export goods in which they have a comparative advantage. This is because they can produce those goods at a lower opportunity cost than other countries.
- b) No, the theory of comparative advantage implies that countries should only import goods in which they have a comparative advantage.
- c) The theory of comparative advantage does not provide any guidance on which goods a country should export or import.

1.17 Which of the following is NOT a primary function of a transportation management system (TMS)? [2 marks]

- a) Carrier selection and booking
- b) Freight audit and payment
- c) Warehouse management
- d) Shipment tracking and visibility

1.18 Which transportation modes are best suited for transporting high-value, low-volume goods? [2 marks]

- a) Truck
- b) Rail
- c) Air
- d) Water

1.19 Which of the following is NOT a primary objective of a supply chain? [2 marks]

- a) Minimising inventory levels
- b) Maximising customer satisfaction
- c) Maximising production efficiency
- d) Maximising transportation costs

1.20 What is the term for a competitive advantage that is difficult for competitors to imitate or replicate? [2 marks]

- a) Sustainable competitive advantage
- b) Temporary competitive advantage
- c) Competitive disadvantage
- d) None of the above

Sub-Total: 40 Marks

SECTION B

QUESTION 2 [20 MARKS]

How does international trade contribute to economic growth and development in developing countries? Discuss the benefits and challenges of international trade for developing countries like Namibia?

QUESTION 3

How can procurement management contribute to the overall success of a project? [20 marks]

QUESTION 4

What are the four main types of production processes, and how can companies choose the most appropriate production process for their products? [20 marks]

Sub-Total: 60 Marks

Total: 100 Marks