



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION

DEPARTMENT OF MARKETING, LOGISTICS AND SPORTS MANAGEMENT

QUALIFICATION: POSTGRADUATE DIPLOMA: PROCUREMENT MANAGEMENT	
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COURSE CODE: GSD801S	COURSE NAME: GLOBAL SUPPLY CHAIN DILIGENCE
SESSION: JUNE 2025	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100
FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS	
<ol style="list-style-type: none">1. Answer all questions.2. Write clearly and neatly.3. Number the answers.	

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

SECTION A: MATCHING

QUESTION 1 (50 MARKS)

Match the following concepts in **Column A** with the correct Statement/ Scenarios in **Column B**. Write only the question number and the corresponding letter of the correct match.

Example: 1 – B. Each answer is equivalent to 2 marks.

Concepts	Statements / Scenario
1. Due Diligence	A. Despite consistent minor delivery delays from a regional supplier, a retailer maintained the relationship due to favourable pricing, brand loyalty, and the complexity of onboarding alternatives mid-cycle.
2. Outsourcing	B. A technology importer negotiated contractual clauses that shifted liability for damages in transit to the freight company, ensuring that compensation would be handled externally if any incident occurred en route.
3. Sourcing	C. A beverage bottling firm, anticipating regulatory changes in water usage, revamped its filtration systems and redesigned packaging to avoid penalties and delays in future government approvals.
4. Tolerate	D. In a shipment agreement between companies in different continents, confusion over customs clearance led to unforeseen fees—later traced back to ambiguous contractual delivery terms, highlighting the need for standardised trade rules.
5. Transfer	E. Following a cyberattack on inventory software, a multinational wholesaler activated its business continuity protocols, rerouting orders manually and utilising stored emergency stock at secondary distribution centres.
6. Prevention	F. An automotive firm heavily relying on a single overseas component manufacturer developed parallel relationships with three smaller firms on separate continents to mitigate potential regulatory bottlenecks or embargoes.
7. Response	G. A facility manufacturing microprocessors aligned its procurement with exact production cycles. When severe weather delayed a parts delivery by a day, multiple client deadlines were missed, exposing logistical vulnerability.
8. Incoterms	H. A multinational food company coordinated 200+ vendors across four continents, navigating varying tax laws, quality standards, and languages, which created operational inefficiencies and compliance risks.

9. Supplier Diversification	I. A state-owned utility began evaluating vendors on price and ethical labour practices, human rights adherence, and environmental compliance, guided by a globally recognised procurement standard.
10. Just-in-Time (JIT)	J. A courier company faced investor scrutiny when an emissions report revealed high fuel usage in last-mile deliveries, prompting a fleet transition strategy to electric vehicles and optimised routing.
11. Structural Complexities	K. Electronics brand compared several materials for its packaging. While one was cheaper, a full assessment revealed significant environmental damage during extraction and disposal, leading to a redesign.
12. Supply Chain Disruptions	L. A contract for rural road upgrades was awarded to a domestic firm using locally sourced stone and community labour, aligning with a broader national plan to reduce capital outflow and stimulate the internal economy.
13. UNICITRAL	M. Bidders for a hydro project were evaluated on how they planned to minimise land disturbance, protect surrounding habitats, and manage water runoff in compliance with national ecological targets.
14. ISO 20400	N. A regional food supplier tracked how a strike at one port affected production schedules, invoicing, and downstream customer satisfaction, exposing a chain reaction that began with a single logistics failure.
15. Carbon Footprint	O. An international distributor of consumer electronics improved responsiveness and delivery speed by optimising warehouse automation, reducing cycle time, and rebalancing inventory across high-demand zones
16. Life Cycle Analysis	P. A fashion brand's design team in Paris collaborated with textile suppliers in Bangladesh, manufacturing partners in Turkey, and American distributors—managed entirely through digital platforms and global trade agreements.
17. Economic Sustainability (PPA)	Q. A home appliance company deployed a new cloud-based tool to connect suppliers, distributors, and retailers. The system enabled real-time tracking of delays and shortages, improving coordination.
18. Natural Environment (PPA)	R. A premium chocolate manufacturer restructured its procurement to work directly with farmers, increasing profit margins, improving product quality, and generating customer goodwill throughout the brand's ecosystem.

19. Social Pillar (PPA)	S. The operations of a retail chain were split between five external service providers, each managing logistics, warehousing, transport, security, and customs. The lack of system integration caused delays and data discrepancies.
20. Fragmentation	T. Two companies in different legal systems clashed over payment terms after partial order fulfilment. They resolved the issue using a neutral legal framework for arbitration recognised by multiple nations.
21. Risk Flow	U. After a volcanic eruption halted air traffic, shipments of perishable goods were stranded, forcing the company to dispose of unsellable stock and reallocate logistics to meet urgent contract demands elsewhere.
22. Value Flow	V. A regional logistics company signed a service agreement with a foreign provider to manage its fleet tracking system, reducing in-house technical staffing while introducing cross-border compliance considerations.
23. Information Flow	W. A large retail group faced pressure to meet sustainability goals, leading procurement officers to engage in international negotiations to identify vendors who could meet ethical and logistical criteria for supplying textiles.
24. Globalization	X. Before committing to a long-term supplier agreement, a manufacturing firm initiated a third-party audit, reviewing the partner's tax compliance, labour practices, and facility certifications across multiple jurisdictions.
25. Supply Chain Performance Drivers	Y. Infrastructure developers bidding on a public tender were required to demonstrate how they would create equitable employment opportunities, including detailed plans to subcontract work to marginalised groups.

SECTION A: 50 TOTAL MARKS

SECTION B: STRUCTURED QUESTIONS**(50 MARKS)****QUESTION 2 (30 MARKS)**

The Office of the Auditor General (OAG) recently experienced a significant setback in implementing a centralised Audit Management System (AMS), which was intended to digitise and streamline public sector audit processes across ministries and local authorities. The AMS was sourced from a well-known international vendor under a multi-year contract. However, the implementation faced severe delays due to the vendor's reliance on offshore developers and a disrupted global software development supply chain caused by economic instability in the region where the system was being customised. This disruption led to missed audit deadlines, budget overruns, and a lack of real-time data visibility for key performance reporting. As a result, the OAG is now re-evaluating its procurement strategies, risk management frameworks, and the need for long-term sustainability when acquiring systems that support public financial oversight.

2.1 Analyse the role of global supply chains in the OAG's procurement of the Audit Management system (AMS) and how the software vendor's delivery disruption reflects vulnerabilities in international sourcing networks. **(10 Marks)**

2.2 Discuss the risk management strategies that the Office of the Auditor General should consider enhancing the resilience of its digital audit infrastructure and procurement of critical systems? **(20 Marks)**

QUESTION 3 (20 MARKS)

Dinapama Manufacturing and Supplies has established itself as a reputable custom garment manufacturer in Namibia since its inception in 2009. The company's target audience includes corporate companies, public service entities, NGOs, schools, and local and international brands. Dinapama sources its fabrics from various countries such as South Africa, Korea, China, and Japan, ensuring a diverse and high-quality range of materials for its garment production. The company's commitment to using locally sourced talent and materials while catering to a global clientele sets it apart in the industry.

Considering its unique attributes and market positioning, how can Dinapama strategically apply Value Chain Analysis to optimise its supply chain, enhance operational efficiency, strengthen customer relationships, drive innovation, and sustain its competitive advantage in the dynamic global garment manufacturing landscape? **(20 Marks)**

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