



ΠΑΜΙΒΙΑ UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE, HUMAN SCIENCE AND EDUCATION

DEPARTMENT OF MARKETING, LOGISTICS AND SPORT MANAGEMENT

QUALIFICATION: BACHELOR OF TRANSPORT MANAGEMENT	
QUALIFICATION CODE: 07BTRA	LEVEL: 7
COURSE CODE: SFM711S	COURSE NAME: STRATEGIC FLEET MANAGEMENT
SESSION: JUNE 2025	PAPER: THEORY
DURATION: THREE (3) HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION PAPER	
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INSTRUCTIONS
<ol style="list-style-type: none">1. Answer ALL the questions.2. Read all the questions carefully before answering.3. Number the answers clearly.

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

SECTION A: MULTIPLE CHOICE & FILL IN THE MISSING WORDS

QUESTION 1: Multiple Choice Questions

[2*20 = 40 Marks]

1. Which of the following is not an example of a financial intermediary?
 - a. First National Bank (FNB).
 - b. Agribank.
 - c. Bank of Namibia (BoN).
 - d. Sanlam.

2. Strategy formulation involves:
 - a. Senior manager and board members.
 - b. Managers at all levels.
 - c. Senior and middle managers.
 - d. Senior managers.

3. In a fleet public company, a shareholder's liability is limited to the value of his or her Shares because a public company:
 - a. Is less risky than a proprietorship or partnership.
 - b. Provides liability insurance for shareholders.
 - c. Can issues stocks.
 - d. None of the mentioned.

4. When should a risk be avoided?
 - a. When the risk event has a low probability of occurrence and low impact.
 - b. When the risk event is unacceptable.
 - c. When it can be transferred by purchasing insurance.
 - d. None of the mentioned.

5. _____ is concerned with the daily operations of the fleet
 - a. Managerial level.
 - b. Operational level.
 - c. Tactical level.
 - d. Strategic level.

6. Which of the following is a key issue covered in a typical fleet management policy?
 - a. Weather patterns and employee schedules.
 - b. Vehicle colour preferences.
 - c. Vehicle performance, safety, and security.
 - d. Flower arrangements in the office.

7. How do fleet managers typically determine a vehicle's replacement point?
 - a. Through random intervals.
 - b. Based on vehicle breakdown.
 - c. Considering lifecycle costing analysis.
 - d. Ignoring repair costs.

8. The external factors that have a significant impact on how an organisation does business are known as:

- a. Environmental factors
- b. Political factors
- c. Economic factors
- d. Social factors

9. The following rate refers to the difference between the purchase price and the resell price of a vehicle asset after a period of time.

- a. Insurance
- b. Maintenance and repair
- c. Taxes and subsidies
- d. Depreciation

10. The following are types of Fleet Disposal, except _____

- a. Contract hire
- b. Auctioneering
- c. Direct sale
- d. Trading in

11. The following are the components that form part of a fleet maintenance and Repair plan

- a. Planning and scheduling
- b. Core values & culture
- c. Employees engagement
- d. All of the above

12. The registration and licencing of vehicles in Namibia is managed by:

- a. Roads Construction Company
- b. Roads Authority
- c. TransNamib
- d. Roads Funds Authority

13. The systems that refer to a wide variety of applications and systems that deal with monitoring and tracking vehicle fleet is known as _____

- a. Global Positioning Systems (GPS)
- b. Fleet Telematics System (FTS)
- c. Intelligent Transportation Systems (ITS)
- d. Logistics Systems (LS)

14. _____ is concerned with the strategic operations of the fleet

- a. Managerial level.
- b. Operational level.
- c. Tactical level.
- d. Strategic level.

15. A company, whose primary focus is on delivering goods rather than managing a vehicle fleet, is contemplating whether to own or lease vehicles. What should be a significant consideration for the company in making this decision?

- a. Owning vehicles for the long term.
- b. Leasing vehicles to focus on core business.
- c. Frequent vehicle customisation.
- d. Ignoring the decision.

16. The fleet management policy of XYZ Company is under review. The company's core Values emphasise sustainability and environmental responsibility. Fleet managers Are tasked with aligning the fleet maintenance policy to these core values. Which Component of the fleet maintenance plan is essential for aligning the policy with the Organisation's core values?

- a. Policies and procedures.
- b. Employee engagement.
- c. Parts/supply management.
- d. Workplace organisation.

17. ABC Transport Company has recently implemented a new fleet management policy aimed at improving performance and efficiency. As part of this initiative, the management team decides to track Preventive Maintenance (PM) Compliance. Which of the following statements best describes PM Compliance?

- a. PM Compliance measures the total number of breakdowns in the fleet over a specified period.
- b. PM Compliance assesses the number of vehicles that have undergone preventive maintenance within a given timeframe.
- c. PM Compliance evaluates the financial performance of the company based on maintenance costs.
- d. PM Compliance measures the utilisation rate of vehicles in the fleet.

18. XYZ Enterprises is reviewing its fleet management strategy and is considering incorporating financial indicators into its performance metrics. Which of the following is an example of a financial indicator relevant to fleet management?

- a. Percentage of vehicles with PM compliance
- b. Mean time to repair (MTTR)
- c. Return on Investment (ROI)
- d. Driver satisfaction rating

19. Mr. John, a Logistics Manager, is analysing the potential benefits of implementing Fleet Telematics Systems (FTS) in his company's vehicle fleet. He is particularly interested in how FTS could impact fuel consumption and environmental sustainability.

How might the adoption of Fleet Telematics Systems (FTS) contribute to reducing fuel consumption and promoting environmental sustainability in John's fleet management?

- a. FTS could optimise route planning and vehicle maintenance schedules, leading to

reduced fuel consumption and lower emissions, thus promoting environmental sustainability.

b. FTS could increase idling time and fuel wastage due to inaccurate data collection, resulting in higher fuel consumption and environmental degradation.

c. FTS might complicate fuel tracking and reporting processes, leading to inefficiencies in fuel management and minimal impact on environmental sustainability.

d. FTS could introduce complexities in vehicle operations and maintenance, causing disruptions that outweigh any potential fuel savings and environmental benefits.

20. A logistics company operates internationally and requires a telematics solution that offers comprehensive coverage across multiple regions. Which criterion should the fleet managers prioritise during the selection process.

a. Usability Features

b. Integration Features

c. Service Region

d. Know your business needs, goals, and vision

QUESTION 2: Fill in the missing words

[2*5 = 10 Marks]

2.1. _____ Ensuring that every aspect of fleet management is going according to schedule and set targets are being met.

2.2. _____ Ensuring that all fleet management processes, procedures and practices are well integrated without duplication or gaps, getting every stakeholder to do what is expected of him.

2.3. _____ It is a method of monitoring cars, trucks, equipment and other assets by using GPS technology and on-board diagnostics (OBD) to plot the asset's movements on a computerized map. Also known as fleet tracking or GPS vehicle tracking.

2.4. _____ A concept in fleet management that seeks to evaluate different vehicle costs by factoring in all costs associated with owning that vehicle(s) from acquisition costs to maintenance costs to its future value doing disposal. The idea is to have a comprehensive view to the costs as opposed to merely choose a vehicle based on its acquisition cost.

2.5. _____ The extent to which vehicles or equipment are within or exceed established replacement criteria.

Sub-total: 50 Marks

SECTION B: STRUCTURED QUESTIONS

Question 1

[30 Marks]

You are the newly appointed Fleet Manager for a Namibian transport company tasked with overseeing the operations of a diverse fleet comprising trucks, vans, and specialised vehicles. Your task is to derive the key considerations when selecting a type of a fleet insurance cover. Therefore, in order to answer the below questions properly, think around themes such as nature of business, type and number of fleets, insurance premiums, government regulatory requirements.

- 1.1. Using examples, outline and explain the various types of risks that can affect fleet operations of a freight company? **[10 Marks]**
- 1.2. Discuss the core elements of fleet risk management policy or program? **[10 Marks]**
- 1.3. Explain the various types of fleet insurance and conditions under which each is appropriate? **[10 Marks]**

Question 2

[20 Marks]

- 2.1. How does an understanding of the bath-tub model help in making fleet maintenance decisions? **[10 Marks]**
- 2.2. Under what conditions are the following fleet maintenance methods appropriate?
 - a). Reactive maintenance? **[5 Marks]**
 - b). Scheduled maintenance? **[5 Marks]**

Sub-total: 50 Marks

Paper total: 100 Marks

END OF EXAMINATION PAPER