



<u>QUALIFICATION</u>	BCOM HONOURS
<u>MODULE</u>	LOGISTICS DECISIONS SUPPORT SYSTEMS
<u>CODE</u>	LMA8X03
<u>DATE</u>	JUNE 2016 EXAMINATION
<u>DURATION</u>	3 HOURS / 180 MINUTES
<u>TOTAL MARKS</u>	180 Marks

<u>EXAMINERS</u>	MS AA D' AMATO
<u>MODERATOR</u>	DR K LAMBERT
<u>NUMBER OF PAGES</u>	

INSTRUCTIONS TO CANDIDATES:

- Question papers must be handed in.
 - This is a closed book assessment.
 - Read the questions carefully and answer only what is asked.
 - Number your answers clearly.
 - Write neatly and legibly
 - Structure your answers by using appropriate headings and sub-headings.
 - The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.
 - Answer all questions.
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QUESTION 1**(50 Marks)**

The Cunningham Weaving Company has been experiencing low profitability in recent years. As a result the board of directors has asked for a logistics audit to be performed.

This audit MUST be completed using the STRATEGIC PROFIT MODEL TEMPLATE PROVIDED for all sections required. The template must be completed in full where possible.

Cunningham Weaving Company's financial statements are supplied below and you are required to use the financial data provided for 'The Cunningham Weaving Company' to provide the following:

- The ROA, Financial leverage, and RONW for Cunningham Weaving Co. (15)
- Indicate by how much Transport expenses must decrease in order to achieve a ROA of 6% (15)
- Elaborate on the impact of outsourcing warehousing on Fixed Assets and RONW (20)

Balance Sheet at 31 March 2011				
Share capital	100		Fixed assets	140
Retained earnings	114		Accumulated depreciation	20
Owners' equity	214		Total fixed assets	120
Long term debt	36		Current assets	194
			Stock	106
			Trade debtors	46
			Cash	42
			Total assets – gross	314
			Current liabilities	64
			Trade creditors	39
			Bank overdraft	25
Total	250		Total	250

Income Statement for the year ended 31 March 2011	
Net sales	530
Cost of goods sold	425
Gross profit	105
Operating expenses:	

Variable expenses	40
Fixed expenses	<u>30</u>
Operating profit	35
Interest paid	<u>9</u>
Net income before tax	26
Tax (35%)	<u>9</u>
Net income after tax	<u>17</u>

QUESTION 2**(40 Marks)**

Supply Chain Information Systems (SCIS) typically fall into four categories. Evaluate the categories into which SCIS's can be classified, and discuss the types of systems within each category.

QUESTION 3**(30 Marks)**

Six technology-assisted drivers of supply chain excellence can assist organisations to generate adaptive capabilities to synchronise supply chains in order to improve competitive advantage. Elaborate on the drivers of supply chain excellence and describe how each will contribute to a more efficient supply chain – it remains imperative to utilise examples.

QUESTION 4**(30 Marks)**

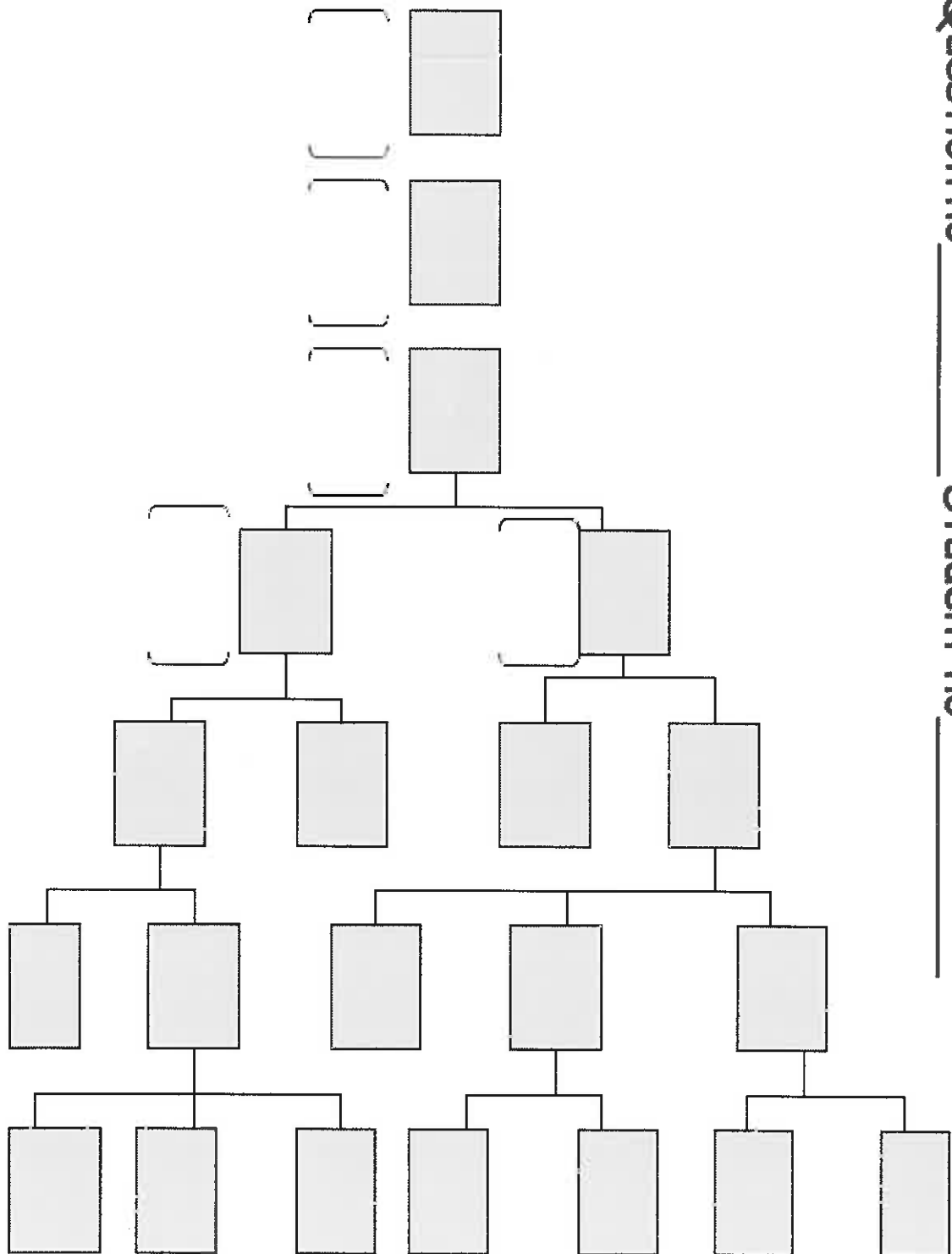
The integration of E-Commerce into Enterprise Resource Planning solutions may yield many benefits. The first area within business to gain huge benefit was the functional area of procurement management. Give your opinion on E-Procurement including the advantages and disadvantages.

QUESTION 5**(30 Marks)**

Elaborate on the importance of cloud computing and the impact/areas of opportunity it may uncover for businesses in future.

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Strategic Profit Model Template



Question no _____ Student no _____

