



FACULTY/COLLEGE	College of Business and Economics
SCHOOL	Johannesburg Business School
DEPARTMENT	Business Management
CAMPUS(ES)	APB
MODULE NAME	Logistics Management
MODULE CODE	AC1LOGM
SEMESTER	Second
ASSESSMENT OPPORTUNITY, MONTH AND YEAR	Final Summative Assessment Opportunity June 2019

ASSESSMENT DATE	18 November 2019	SESSION	08:00-11:00
ASSESSOR(S)	Mr H van den Berg		
MODERATOR(S)	Mr D le Grange (External)		
DURATION	3 hours	TOTAL MARKS	100

NUMBER OF PAGES OF QUESTION PAPER (Including cover page)	7
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INFORMATION/INSTRUCTIONS:

- This is a closed-book assessment.
- Answer all the questions.
- Read the questions carefully and answer only what is required.
- Answer SECTION A (multiple-choice questions) on the multiple-choice answer sheet on the last page of the assessment script (answer book).
- Answer SECTION B in the assessment scrip
- Number your answers clearly and correctly as per the question paper.
- Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.

SECTION A**[30 MARKS]****QUESTION 1**

Multiple Choice

[20]

1. Which one of the following activities does NOT form part of physical distribution?
 - a) Packaging
 - b) Order processing
 - c) Transport
 - d) Customer service
 - e) Manufacturing inventory keeping

2. Which one of the following activities does NOT form part of materials management?
 - a) Procurement
 - b) Order processing
 - c) Materials handling
 - d) Warehousing
 - e) Packaging

3. Several activities can occur in both materials management and physical distribution management. Which one of the following activities occurs in only one of these management areas?
 - a) Warehousing
 - b) Materials handling
 - c) Reverse logistics
 - d) Order processing
 - e) Packaging

4. Which logistics activity entails the (off-road) movement or flow of raw materials, semi-finished goods, and finished goods on-premises and within a facility?
 - a) Physical distribution
 - b) Materials management
 - c) Transport
 - d) Inventory management
 - e) Materials handling

5. The activities that serve to manage the space needed for holding and maintaining inventories are part of ...

- a) warehouse management.
 - b) materials management.
 - c) inventory management.
 - d) materials handling.
 - e) facility site selection and design.
6. Of which logistics function does the activity of freight consolidation form a part?
- a) Warehouse management
 - b) Inventory management
 - c) Materials handling
 - d) Transport
 - e) Order processing
7. The execution of the sequence of activities associated with filling customers' orders is known as ...
- a) order processing.
 - b) logistics communication.
 - c) demand forecasting.
 - d) marketing.
 - e) parts and service support.
8. Providing replacement parts when products malfunction is known as ...
- a) return goods handling.
 - b) recycling.
 - c) waste disposal.
 - d) parts and service support.
 - e) order fulfilment.
9. The acquisition of goods, services and information to ensure the operational effectiveness of the firm's manufacturing and marketing processes is known as ...
- a) order processing.
 - b) physical distribution.
 - c) materials handling.
 - d) supply chain management.
 - e) procurement.
10. Consumers' willingness to pay reflects the _____ they place on a product.
- a) monetary value

- b) time value
 - c) place utility
 - d) possession utility
 - e) form utility
11. The value that is added to a good through a production, manufacturing, or assembly process is known as ...
- a) form utility
 - b) place utility
 - c) time utility
 - d) possession utility
 - e) total utility
12. The utility that is created by moving goods from surplus points to points where relative scarcity exists is referred to as ...
- a) form utility
 - b) place utility
 - c) time utility
 - d) possession utility
 - e) total utility
13. What type of utility is created if goods are available when consumers demand them?
- a) Form utility
 - b) No utility
 - c) Time utility
 - d) Possession utility
 - e) Total utility
14. Which one of these is NOT an example of materials handling equipment?
- a) Forklift
 - b) Conveyor belts
 - c) Refrigerators
 - d) Scanning equipment
 - e) None of the above
15. What types of following are likely transported via pipelines?
- a) Petroleum products
 - b) Slurry products

- c) Gas
 - d) Water
 - e) All the above
16. When grouping products together, which one of these is NOT a method?
- a) Compatibility
 - b) Price
 - c) Complementary
 - d) Popularity
 - e) None of the above
17. "The assembly area in a distribution area is large and it is better to allow each section to assemble its goods and have its trucks." This statement is true ...
- a) always
 - b) sometimes
 - c) in special circumstances
 - d) never
 - e) for terminals only
18. The inventory management systems designed to reduce the retailer's lead time for receiving merchandise is called:
- a) Efficient consumer response delivery system
 - b) Effective response
 - c) The on-time market delivery system
 - d) Efficient logistical response
 - e) On-time consumer response systems
19. Which one of these is NOT a typical activity performed in a warehouse?
- a) Placing
 - b) Storage
 - c) Advertising
 - d) Maintenance
 - e) Stocktaking
20. Which one of the following activities does NOT form part of physical distribution?
- a) Packaging
 - b) Order processing
 - c) Transport

- d) Customer service
- e) Manufacturing inventory keeping

QUESTION 2

Match Column A with Column B. For example, 11 = Z.

[10]

Answer this question on the test paper in the area provided below the table.

Column A	Column B
1. Channel intermediaries	A. These companies make it possible to provide possession, time and place utility efficiently.
2. Channel design	B. In a performance-cycle, this factor is the elapsed time from when an order is placed until shipment arrival.
3. The wholesaler's perspective	C. In the channel of distribution, these companies provide convenient product assortment, availability, price and image within the geographic market they serve.
4. The handling of return goods	D. This operational factor refers to a firm's ability to handle extraordinary customer service requests.
5. The retailer's perspective	E. Channel strategy must be based on overall corporate and marketing objectives.
6. Speed & Consistency	F. This is one of the most important aspects of logistics quality.
7. Speed	G. A company is able to measure its operational performance cycle through which there are performance factors.
8. Consistency	H. Often referred to as reverse logistics, is an important part of the logistics process and is beginning to receive more attention.
9. Flexibility	I. In addition to the major stakeholders, or primary participants in a logistics channel, there are many less well-known stakeholders who play minor but very necessary roles.
10. Reliability	J. While the speed of service is critical, most logistical managers place greater emphasis on this factor.

1. = _____

6. = _____

2. = _____

7. = _____

3. = _____

8. = _____

4. = _____

9. = _____

5. = _____

10. = _____

SECTION B**[70 MARKS]**

Long questions

QUESTION 1**[5x2=10 MARKS]**

Identify all the support activities in Porter's Generic Value Chain and clearly explain each activity with relevant examples, relating to *Simba chips*.

QUESTION 2**[6x2=12 MARKS]**

In a supply chain, transportation fulfils six (6) critical roles. Identify these six (6) roles and clearly explain each role with relevant examples, the role of transportation in a supply chain.

QUESTION 3**[8x2=16 MARKS]**

Your company, *Simba chips*, has decided to upgrade their order processing and information system. Identify all eight (8) the areas of improvements, and clearly explain each area with relevant examples, *Simba chips* can expect after the upgrade of their order processing and information system.

QUESTION 4**[10x2=20 MARKS]**

In the Logistics Management Model, there are fourteen (14) Logistics Activities which is directly related to the logistics of the organisation. Identify any ten (10) of the logistics activities and clearly explain each input, with relevant examples, what function each input will fulfil in the logistics of an organisation.

QUESTION 5**[12 MARKS]**

Your company, *Builders Warehouse*, is determined to minimise their total cost of Logistics. They have decided to start minimising costs associated with logistics activities. Identify the seven (7) logistic activities and clearly explain with relevant examples, what *Builders Warehouse* will be doing to minimise their total logistics costs, *without* losing their market share or their customers.

TOTAL: 100 MARKS