



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	Johannesburg Business School
<b>DEPARTMENT</b>	Transport and Supply Chain Management
<b>CAMPUS(ES)</b>	APB
<b>MODULE NAME</b>	Global Supply Chain Management
<b>MODULE CODE</b>	Gsc01b1
<b>SEMESTER</b>	Second
<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Final Summative Assessment Opportunity November 2019

<b>ASSESSMENT DATE</b>	18 November 2019	<b>SESSION</b>	12:30 – 15:30
<b>ASSESSOR(S)</b>	Mrs. C. Celliers		
<b>MODERATOR(S)</b>	Dr. L. Petkoon		
<b>DURATION</b>	3 hours (180 min)	<b>TOTAL MARKS</b>	100

<b>NUMBER OF PAGES OF QUESTION PAPER (Including cover page)</b>	6
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### INFORMATION/INSTRUCTIONS:

- This is a closed-book assessment.
- Read the questions carefully and answer only what is required.
- 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.

**QUESTION 1**

**[30 MARKS]**

1. \_\_\_\_\_ is the ability of a country, individual, company or region to produce a good or service at a lower cost per unit than the cost at which any other entity produces that same good or services.
  - a. Comparative advantage
  - b. Absolute advantage
  - c. Factor endowment
  - d. Factors of production
2. The replacement of physical products by virtual products is referred to as:
  - a. Material absorption
  - b. Material substitution
  - c. Value addition
  - d. None of the above
3. \_\_\_\_\_ refers to physical deterioration or product ageing caused by changing customer buying patterns or technological change.
  - a. Value
  - b. Perishability
  - c. Substitutability
  - d. Seasonality
4. Companies may smartly outsource all of the following except:
  - a. Information technology
  - b. Core activities
  - c. Manufacturing
  - d. Logistics
5. What is one of the strengths of an Asset Based 3PL?
  - a. Ability to provide direct and immediate solutions
  - b. Flexibility with respect to fixed assets
  - c. Not limited to internal infrastructure
  - d. Likely to create innovative solutions
6. What group of 3PL does not own equipment, they instead arrange transportation services?
  - a. Forwarder based
  - b. Financial based
  - c. Distribution based
  - d. Transportation based
7. What type of service involved local transportation of containerised cargo?
  - a. Merge in transit
  - b. Surface freight forwarding
  - c. International marketing
  - d. Drayage

8. What type of special service involves uniting shipments from multiple suppliers and avoids the need for traditional warehousing?
  - a. Dedicated contract carriage
  - b. Household good movement
  - c. Merge in transit
  - d. Drayage
9. What group of service providers is organised to move e-commerce delivery of goods to consumers homes?
  - a. Pool distributor
  - b. Last mile delivery
  - c. Household goods movement
  - d. Dedicated contract carriage
10. This step in establishing and sustaining a 3PL relationship involves determining your area of core competency and how a 3PL may help you create a competitive advantage.
  - a. Strategic assessment
  - b. Decision to form relationship
  - c. Evaluation of alternatives
  - d. Structuring of an operating model
11. Which of the following is considered the top customer need of 3PL users?
  - a. Continuous improvement capabilities
  - b. Information technology capabilities
  - c. E-commerce fulfilment capabilities
  - d. Lifecycle return management capabilities
12. Which strategic requirements involves 3PLs supporting home delivery, manufacturer direct delivery, and alternate site delivery?
  - a. International expertise
  - b. Sustainability knowledge
  - c. Talent availability
  - d. Logistical knowledge
13. Some companies decide to avoid carriers and 3PLs and retain a \_\_\_\_\_ for their shipping needs.
  - a. Private fleet
  - b. Unlabelled carriers
  - c. Government asset
  - d. 4PL
14. What is a liner ship?
  - a. An ocean going ship that travels a fixed route on a published schedule
  - b. A ship that travels inland waterways on a demand schedule
  - c. An ocean going cruise ship that handles passengers on specific routes
  - d. A ship owned or leased on a long-term, basis by the company moving the goods

15. A break bulk ship:
- a. Handles only bulk cargo
  - b. Would require that shipments be created for handling
  - c. Sails in lanes where liners do not operate
  - d. Allows vehicles to roll on or roll off
16. A charter is:
- a. Provided by ships that are hired for a specific voyage or amount of time
  - b. An older ship which is in poor condition
  - c. A foreign flag vessel seeking to become a flag vessel
  - d. A ship where the crew is hired from various countries where wage rates are very low
17. Which is the primary advantage of international air transportation?
- a. Speed
  - b. Careful handling
  - c. Paperwork reduction
  - d. Door-to-door service
18. An NVOCC is:
- a. A company which handles rail freight which will be loaded on a ship
  - b. A company which handles international shipments but does not own any ships
  - c. A company which assembles and disperses small shipments and moves these shipments in containers
  - d. A company subject to unique government controls and can handle licensed cargos
19. A land bridge is a type of transportation used to:
- a. Move marine containers by rail in substitution for all water routings
  - b. Move marine containers by rail in substitution for local water services
  - c. Move marine containers by rail to an inland, non-port city
  - d. Avoid crossing large inland bodies of water such as the Vaal dam
20. What type of freight is loaded into or onto storage equipment at the origin and delivered to the destination in or on that same piece of equipment with no additional handling?
- a. Transload freight
  - b. Containerised freight
  - c. Intermodal freight
  - d. Landbridge freight
21. Which of the following is not an ancillary service provider?
- a. International Freight Forwarders
  - b. Non Vessel-Owning Common Carriers
  - c. Export packer
  - d. Ocean carrier

22. International freight forwarders are often referred to as:
- a. Price makers
  - b. Travel agents of international freight transportation
  - c. Demand forecasters
  - d. Trade related services
23. Export packers can be used to ensure:
- a. Freight forwarders complete their job
  - b. Containers are not fireproof
  - c. Intermodal pricing is correct
  - d. That products arrives safely
24. Requests for payment from the exporter to the importer for purchased goods are known as:
- a. Invoices
  - b. IIOC requirements
  - c. Land bridges
  - d. TEU's
25. When cargo reaches its destination country, it must be cleared through:
- a. A bill of lading
  - b. A freight forwarder
  - c. TATA
  - d. Customs
26. A deliberate product contamination risk is called.
- a. Tampering
  - b. Climate control failure
  - c. Exposure to contaminants
  - d. Hedging
27. What is the simplest way to eliminate risk?
- a. Risk reduction
  - b. Risk mitigation
  - c. Risk avoidance
  - d. Risk identification
28. Not putting all your 'eggs in one basket' is what type of strategy?
- a. Postponement
  - b. Buffering
  - c. Hedging
  - d. Transfer
29. What is the final step in risk management?
- a. Reviewing and monitoring
  - b. Reduction
  - c. Identification
  - d. Analysis

30. Which of the following is not a transportation risk reduction strategy?
- a. Use of generic packaging
  - b. Use of event management software
  - c. Monitor carrier finances
  - d. Use of least cost service provider

**QUESTION 2**

**[20 MARKS]**

- 2.1 Define the concepts of “outsourcing” and “third party” logistics. (4)
- 2.2 Why would a company use an asset based 3PL service provider versus a non-asset based provider? (4)
- 2.3 Describe six (6) steps involved in establishing and managing 3PL relationships. (12)

**QUESTION 3**

**[20 MARKS]**

- 3.1. Why is documentation important to global transportation? Briefly describe the primary documents used to facilitate global cargo flows. (10)
- 3.2 What risks and perils are present in global transportation? Discuss how exporters and importers can manage these risks. (10)

**QUESTION 4**

**[20 MARKS]**

- 4.1 What are the benefits and drawbacks of intermodal transportation for international freight? (10)
- 4.2 Identify and briefly describe the five (5) the six steps involve in the USCBP customs clearance process. What can individual companies do to streamline the process? (10)

**QUESTION 5**

**[10 MARKS]**

Identify ten (10) common strategies and practices that logistics and supply chain managers engage in.