INTERNATIONAL DIPLOMA IN LOGISTICS AND TRANSPORT

MANAGEMENT IN LOGISTICS & TRANSPORT
DIP 01

MARCH 2024
SUPPLEMENTARY EXAMINATIONS

Instructions to Candidates

- Duration of examination: **3 hours**
- **Answer any FOUR questions**
- Questions may be answered in any order.
- Allocation of marks is indicated along each question.
- Credit will be given for citing relevant examples.
- Write legibly.

QUESTION 1

Outline and compare the following investment appraisal methods used by logistics organisations:

a) Payback
b) Net present value

(25 marks)

QUESTION 2

Explain the differences between sales and marketing and show the applicability of the two concepts to a large transport company that relies on obtaining goods and cargo to transport from manufacturing and distribution companies. **(25 marks)**

QUESTION 3

'*Business activities are affected in a variety of ways by external environment. The external factors are complex and require careful analysis'*.

Explore three external factors that are likely to affect the operational and strategic management of logistics/transport organisations. **(25 marks)**

QUESTION 4

Consider the following two scenarios from 2 different logistics companies:

Company 1: The Company promises their drivers a bonus of $80 if they undertake a minimum of four (4) cross-border trips per month.

Company 2: The Company inform their drivers that their employment will be terminated if they do not do at least four (4) cross-border trips per month.

Examine the impact that these two differing approaches have on the motivation of drivers as well as the reactions of drivers to the two approaches. **(25 marks)**

QUESTION 5

In your own words, explain the meaning of *'cash flow'.*

Discuss strategies that an organization can implement to improve its cash flow. **(25 marks)**