



# The Chartered Institute of Logistics and Transport

CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT

INTERNATIONAL DIPLOMA IN LOGISTICS AND TRANSPORT

DP03 TRANSPORT OPERATIONS

SEPTEMBER 2021

Instructions to Candidates

Candidates are advised to spend NOT more than 45 minutes on each question.  
Credit will be given for citing relevant examples.

**3 HOURS**

**Answer 4 Questions only**

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## QUESTION 1

React to the view that transport is a critical ingredient but not a panacea to economic development  
**[25 marks]**

## QUESTION 2

From welfare economics, transport is regarded as one of the major contributors to the negative environmental externalities such as pollution and global warming. Analyse in detail regulatory policy options available to governments in reducing (internalising) such externalities. **(25 Marks)**

## QUESTION 3

Decisions in acquisition of transport resources require careful assessment of the various investment options.

- a. Explain the strengths and weaknesses of payback investment appraisal methods within a transport capital budgeting of your choice. **(10 Marks)**
- b. Your organization has decided to outsource transportation service for a contract regarding small parcels delivery with city of your choice. Draw up a specification that can be used in the selection process for a suitable provider. **(15 Marks)**

#### **QUESTION 4**

As a newly appointed Transport and Logistics manager at Team Logistics and Transport Network Private (Ltd)., suggest any cost cutting measures that can be implemented to ensure competitiveness in the road freight company. **(25 marks)**

#### **QUESTION 5**

Transport operations management revolves around best practices solutions on efficiency and effectiveness, which should result in both the acquisition of new customers while retaining existing customers.

Furthermore, the right working attitudes and values would go a long way in the successful management of transport operations’.

Discuss the 5 pillars of organizational excellence in transport operations.

**(25 marks)**