



**The Chartered
Institute of Logistics
and Transport**

**INTERNATIONAL ADVANCED DIPLOMA IN LOGISTICS AND TRANSPORT
DELIVERING STRATEGIC PERFORMANCE**

ADIP04

June 2023

Note to Candidates

The aim of this paper is to establish your in depth understanding of the principles and applications involved in Delivering Strategic Performance. Candidates are encouraged to make use of relevant examples where applicable.

Instructions to Candidates

- Duration of examination: **3 hours**
- **Answer Question 1(Compulsory) in Section A and THREE Questions in Section B**
- Questions may be answered in any order.
- Allocation of marks is indicated alongside each question.
- Credit will be given for citing relevant examples.
- Write legibly.

SECTION A: COMPULSORY

(40 marks)

Read the Case Study below carefully and answer the questions that follow:

CASE STUDY: NRZ Machines and Wagons Ancient.

THE National Railways of Zimbabwe (NRZ) wagons and machines are archaic and have outlived their lifespan, making it difficult for the parastatal to fully operate. All NRZ equipment has outlived their economic lifespan and need either overhaul or total replacement. Lack of recapitalisation in both equipment and infrastructure has affected the company's performance, which has seen business volumes coming down from the

12 million tonnes it used to move annually in the 1990s to the current level of 2,3 million tonnes.

As a result, the company has been continuously posting losses annually and is saddled in debts, both local and foreign. This creates bottlenecks as well as increases the interchange bill for NRZ which is payable in foreign currency due to the long periods the wagons will be on NRZ lines. There are low customer confidence levels due to extended transit delays and inconsistencies in service delivery, and shortages of local empties for chrome ore, coal, clinker and limestone movement. The hired locomotives are a huge drain to the NRZ and the country as these are paid for in hard currency, yet the majority of the traffic that is hauled is paid for in local currency.

The NRZ said the other major challenge was an old rail network. NRZ wagons are old and South Africa does not want them because they risk damaging their rail network. The parastatal leadership indicated that the NRZ was mulling entering into public private partnerships to refurbish its grounded ancient fleet.

The industrial relations atmosphere is very cordial. Like any other organisation, matters arise from time, to time but have cordial relations with labour. Once labour issues arise, they are brought to the attention of management and are resolved amicably.

‘Adapted from a story by Patience Rusere in the Patriot newspaper of January 26 2019’

- a) In your own words, define the below-mentioned key concepts:
- i. Economic lifespan **(2 marks)**
 - ii. Total replacement **(2 marks)**
 - iii. Recapitalisation **(2 marks)**
 - iv. Public-private partnerships **(2 marks)**
 - v. Cost effectiveness **(2 marks)**
- b) Using the life cycle model, analyse National Railways of Zimbabwe’s current position and offer sustainable strategies to revive the parastatal. **(15 marks)**
- c) Discuss major social and economic impacts caused by NRZ’s performance. **(10 marks)**

d) Explain the difference between a strike and a lockout.

(5 marks)

SECTION B

Answer any THREE questions.

QUESTION 1

Critically examine the commonly held notion that 'benchmarking is a critical tool that organisations can use to be competitive'.

(20 marks)

QUESTION 2

Discuss different forms of e-commerce strategies stating how organizations and clients have benefited from e-commerce.

(20 marks)

QUESTION 3

Critically examine the five gaps of the SERVQUAL Model by Parasuraman and others.

(20 marks)

QUESTION 4

Explain why it is important for both top management and employees to commit to Total Quality Management (TQM) in their operations?

(20 marks)