



**The Chartered
Institute of Logistics
and Transport**

INTERNATIONAL DIPLOMA IN LOGISTICS AND TRANSPORT

TRANSPORT OPERATIONS

DIP03

NOVEMBER 2023

Instructions to Candidates

- Duration of examination: **3 HOURS**
 - Answer **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

Greyhound Private limited owns a fleet of 30 buses which runs from Cape Town to Victoria falls twice a week. The carrying capacity for each bus is 70 including 2 crew members. The fare for passengers either way is USD120.00. The distance between Harare and Cape Town is 2 404 km. Each bus completes the trip from Cap town to Victoria falls and back after 3 days. Other information available is as follows:

a.	Driver salary	500.00/month
b.	Driver compliment	\$70
c.	Fixed Office Overheads	\$1000.00
d.	Average diesel consumption rate	26 km/5 liters costing 1.20/liter
e.	Toll fees	\$1 500.00/BUS
f.	Repairs and maintenance	\$800.00/bus
i.	Depreciation rate	20% p.a.
j.	Permit fee per bus per annum	\$1 200.00

Required

- a) Draw a budget for this operation and advise on sustainability issues; **(10 marks)**
- b) Determine revenue to be generated by the operation. **(15 marks)**

QUESTION 2

Transport Operations is key to organization competitiveness. As a newly appointed Transport Manager for an already established organization having through the following information from the records section, design an Operating Budget and a competitive rate for your operations:

Item Description	Monthly Operating Costs in USD		
	Haulage Truck A	Haulage Truck B	Haulage Truck C
Garage rent	250.00	250.00	250.00
Fuel (Diesel)	5000.00	4500.00	5200.00
Distance	3000km	3000km	3000km
Oil	300.00	250.00	200.00
Repairs	500.00	150.00	300.00
Office Overheads	200.00	250.00	350.00
Depreciation	330.00	215.00	475.00
Toll-fees	800.00	500.00	600.00
Penalties for non-compliance	2500.00	-----	1000.00
Sundry expenses	100.00	200.00	120.00
Drivers' wages	350.00	250.00	375.00
Payload per trip	28 tons	28 tons	28 tons
Number of trips per week	3	3	3
Operating licences	100.00	100.00	100.00

ADDITIONAL INFORMATION

- a. Month has 30 days and there are 360 days in years
- b. Truck A had 200km additional milage, Truck B, 1300 km and Truck C, 1100 km.
- c. All trucks carried raw materials for the same customer.

In addition to the above, assess the cost per km for running each vehicle, detect anomalies and proffer recommendations for operational strategies. **(25 marks)**

QUESTION 3

Clarke (1994) states that, 'the essence of sustainable change is to understand the culture of the organisation that has to be changed". Discuss this statement citing examples from the Zimbabwean transport business environment. **(25 marks)**

QUESTION 4

State the significance of each one of the five documents that are issued by the registrar on registration of a transport company. **(25 marks)**

QUESTION 5

'Transport operations Manager bears the ultimate responsibility of risk management'. Discuss the four elements of risk management in transport operations. **(25 marks)**