UNIVERSITY EXAMINATIONS

UNIVERSITEITSEKSAMENS

UNISA university of south africa

# TRL201X
# RTL201V

May/June 2011

## TRANSPORT MANAGEMENT (TRANSPORT ECONOMICS 201)

Duration : 2 Hours

70 Marks

EXAMINERS .
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SECOND MR JW BARENDRECHT

**Use of a non-programmable pocket calculator is permissible.**

**This examination script remains the property of the University of South Africa and may not be removed from the examination room.**

**This examination paper consists of 18 pages including one(1) rough work sheet .**

**INSTRUCTIONS:**

1. **WRITE YOUR ANSWERS IN THIS BOOKLET AND HAND IT TO THE INVIGILATOR WHEN YOU HAVE FINISHED.**
2. **DRAW A CIRCLE AROUND THE NUMBER OF THE LONG QUESTIONS THAT YOU ANSWERED ON THE FRONT COVER OF THIS EXAMINATION SCRIPT.**
3. **READ THROUGH ALL THE QUESTIONS CAREFULLY.**

**THIS EXAMINATION PAPER CONSISTS OF TWO SECTIONS [18 PAGES]:**

**SECTION A: COMPULSORY MULTIPLE CHOICE QUESTIONS (20 MARKS)**

**SECTION B: COMPLETE ANY TWO (2) OF THE THREE (3) LONG QUESTIONS (50 MARKS)**

***PLEASE NOTE:* ONLY THE FIRST TWO (2) QUESTIONS THAT YOU COMPLETE WILL BE MARKED. YOU WILL NOT BENEFIT IN ANY WAY IF YOU COMPLETE ALL THREE (3) LONG QUESTIONS.**

**TOTAL: 70 MARKS**

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## SECTION A
**ANSWER ALL THE QUESTIONS IN THIS SECTION.**
**TOTAL: 20 MARKS**

### QUESTION 1

**Read each statement carefully and then choose the correct option. Indicate your answer by colouring in the letter corresponding to the correct option. For example: [B]**

**1.1** The quality of transport needs that are satisfied at different prices is known as **(1)**

[A] Transport demand

[B] Transport value

[C] Transport supply

[C] Transport service

**1.2** One of the following is a function that the technical means of transport must perform **(1)**

[A] Prevent spoilage or damage

[B] Create spoilage or damage

[C] Does not consider direction and vehicle speed

[C] Ignore the use of mobility

**1.3** One of the characteristics of transport that has the physical ability to provide door to door service is known as **(1)**

[A] Road transport

[B] Rail transport

[C] Pipeline transport

[D] Water transport

**1.4** The transport mode that is suitable for goods with a high unit value is known as **(1)**

[A] Air transport

[B] Rail transport

[C] Pipeline transport

[D] Water transport

**1.5** One of the categories of institutional environment where transport service is provided by the national, provincial and local government authorities is known as **(1)**

[A] Direct Control

[B] Administrative procedures

[C] Direct provision

[D] Fiscal measures

**1.6** . is measured by comparing the GDP( Gross Domestic Product) figure to that of the previous year **(1)**

[A] Economic cycle

[B] Inflation

[C] Interest rate

[D] Economic growth

**1.7** Which one of the factors of competition that intensity in the market is mostly influenced by the mature phase of product or service resulting in profit increase? **(1)**

[A] Size of the enterprise

[B] Cost structure

[C] Market withdrawal

[D] Life cycle of the product

**1.8** One of the characteristics of transport management that has to be offered where and when required and in the quantity that is needed to make transport users willing to use the service is known as **(1)**

[A] Immediacy of demand

[B] Extreme variability of demand

[C] Environmental Demand

[D]Interaction of demand

**1.9** Which one of the steps of planning formulate a general plan of action for the deployment of resources in order to achieve objectives **(1)**

[A] Setting objectives

[B] Formulating strategy

[C] Formulating policy

[D] Setting procedure

**1.10** One of the elements of marketing mix that provides the opportunity to recover the cost incurred in providing and marketing the service thus ensures the attainment of the enterprises primary objective is known as. **(1)**

[A]) Distribution (or place) policy

[B] Service (or product) policy

[C] Tariff (or price) policy

[D] Marketing communication policy

**1.11** Which one of the following control processes entails improvements and correctives measures required in pursuing the goal of the enterprise? **(1)**

[A] Setting standards

[B] Measuring actual performance

[C] Evaluating and analyzing deviations

[D] Take correction action

**1.12** Which one of the following methods for the calculation of depreciation is based on the assumption that the vehicles depreciates more in the initial years than in later years and that there will be a net realisable value at the end of its useful life **(1)**

[A] the straight -line method

[B]. the reducing balance or declining balance method

[C] the sum of the years digits method

[D] the double reducing balance method

**1.13** Which one of the factors that influence transports costs refers to the degree to which a product can fill the available space in a vehicle to improve cube utilization **(1)**

[A] density

[B] stowability

[C] weight

[D] handling

**1.14** Which one of the costs, the operator anticipates will be incurred in the budget period (for example the forthcoming year) and on which he will have to base all his operating plans and management decisions during that time **(1)**

[A].standard costs

[B] historical costs

[C] standing costs

[D] marginal costs

**1.15** Which one of the following is not a characteristic that distinguishes the marketing of goods from that of transport services? **(1)**

[A] Nature of the product

[B] The personal element

[C] Nonstorability

[D]. Type of commodity

**1.16** Which one of the following variables which affect the turnover budget refers to the volume and nature of traffic to be carried at various rates? **(1)**

[A] Vehicle capacity and utilisation

[B] Volume and nature of traffic

[C] Value and nature of traffic

[D] Quality and nature of traffic

**1.17** Which one of the following combinations of the practical factors for transport scheduling refers to traffic congestion and perishability? **(1)**

(i) Terrain factors

(ii) Characteristics of goods

(iii) Vehicle fleet characteristics

(iv) The time available

The correct answer is

[A] (i) and (ii)

[B] (i) and (iii)

[C] (ii) and (iv)

[D] (iii) and (iv)

**1.18** What is the following depreciation method called? The simplest method for calculating depreciation that is based on the fact that depreciation is higher during the first few years and the formula employed is based on fractions **(1)**

[A] The straight line method

[B] The reducing balance method

[C] The sum of the year digits method

[D] The double reducing balance method

**1.19** One of the categories of institutional environment that has the power to control and regulate the use and provision of transport services directly by means of legislation is known as **(1)**

[A] Direct Control

[B] Administrative procedures

[C] Direct provision

[D] Fiscal measures

**1.20** Which one of the following market involves the division of the total market into homogeneous segments, each segment having comparatively uniform requirements in respect of a specific type of transport service

[A] Market segmentation

[B] Market research

[C] Marketing communication

[D]. Market environment

**[20]**

**SECTION B**

**ANSWER ANY TWO (2) OF THE THREE (3) QUESTIONS IN THIS SECTION.**

**TOTAL: 50 MARKS**

## QUESTION 2

**2.1** Name and discuss the variables in the market environment of transport management **(18)**

**2.2** Describe the step to be followed in drawing up a budget **(7)**

**[25]**

2 1 Name and discuss the variables in the market environment of transport management **(18)**

2 2 Describe the step to be followed in drawing up a budget **(7)**

**QUESTION 3**

**3.1** A number of characteristic unique to transport make it necessary for transport enterprises to be managed differently from other type of enterprise. **(7)**

Clearly identify these characteristics and give details of their uniqueness

**3.2** Name the main forms of transport you know and discuss the basic characteristic of the mode falling under each one. **(18)**

**[25]**

3 1 A number of characteristics unique to transport make it necessary for transport enterprises to be managed differently from other type of enterprise **(9)**

Clearly identify these characteristics and give details of their uniqueness

3 2 Name the main forms of transport you know and discuss the basic characteristic of the mode falling under each one **(18)**

**QUESTION 4**

**4.1** What do you understand by the term "capacity" in transport? **(7)**

Explain each of the three(3) meanings which refer to this term

**4.2** Discuss the practical factors that should be taking into consideration in scheduling **(15)**

**4.3** Write note on the types of schedules **(3)**

**[25]**

4 1 What do you understand by the term "capacity" in transport? **(7)**

Explain each of the three(3) meanings which refer to this term

4 2 Discuss the practical factors that should be taking into consideration in scheduling **(15)**

4 3 Write note on the types of schedule **(4)**

# Rough work