

Online PGDM

Second Year, Trimester IV, Sept 2024

Course Name : Supply Chain Management

Max Marks : 70

Course Code : 4111

Max Time : 2 hrs

Instructions for Students:

This is a closed book examination. No external resource material allowed.

The Question Paper consists of 3 Sections- A, B, C. All sections to be attempted.

Allocated marks for each of the Section and Questions indicated.

Answers should be rich in content, pointwise and precise. Avoid unnecessary long answers.

Section A : Objective Type Questions

Max. Marks-24

(Answer all Questions, each question of 2 marks each, Total Marks: 2x12=24)

Q 1. Select the correct answer

1.1

Which is an **incorrect** statement

- A. Manager can decrease safety inventory level by using EDLP pricing
- B. Manager can decrease safety inventory level by employing a fast mode of transportation
- C. Manager can decrease safety inventory level by selecting a reliable supplier
- D. Manager can decrease safety inventory level by decreasing the lot size ordered

1.2

Low value, high demand products should be transported by _____ mode of transport as it would help controlling _____ costs which would otherwise be very high.

- A. Faster, inventory
- B. Faster, Transportation
- C. Slower, Transportation
- D. Slower, Inventory
- E. None of the above

1.3

A key to reducing lot size to reduce cycle inventory without increasing costs is to

- A. reduce the holding cost associated with each lot.
- B. reduce the fixed cost associated with each lot.
- C. reduce the material cost associated with each lot.
- D. reduce the manufacturing cost associated with each lot.
- E. increase the holding cost associated with each lot.

1.4

Fast Moving goods in a supply chain generally have

- A. High Demand and Low Demand Uncertainty
- B. Low Demand and Low Demand Uncertainty
- C. Low Demand and High Demand Uncertainty
- D. High Demand and High Demand Uncertainty

1.5

As per Fisher Framework, supply chain capabilities for Innovative and Functional Products are _____ and _____ respectively.

- A. Responsiveness and Efficiency.
- B. Efficiency and Responsiveness.
- C. Efficiency for both kind of products.
- D. responsiveness for both kind of products.

1.6

Which statement is **incorrect** about achieving strategic fit are

- A. there is one best supply chain strategy for all competitive strategies.
- B. there is no right supply chain strategy independent of the competitive strategy.
- C. there is a right supply chain strategy for a given competitive strategy.
- D. there is need to build supply chain capabilities matching the uncertainty faced by supply chain

1.7

A company's supply chain strategy

- A. defines the set of customer needs that it seeks to satisfy through its products and services.
- B. specifies the portfolio of new products that it will try to develop.
- C. specifies how the market will be segmented and how the product will be positioned, priced, and promoted.
- D. determines the nature of procurement and transportation of materials as well as manufacture and distribution of the product.
- E. determines how it will obtain and maintain the appropriate set of skills and abilities to meet customer needs.

1.8

In IKEA's supply chain, large warehouse style retail stores and manufacturers primarily contribute respectively to supply chain's _____ and _____ respectively

- A. Responsiveness and Efficiency
- B. Efficiency and Responsiveness
- C. Both contribute to Supply Chain Responsiveness
- D. Both contribute to Supply Chain Efficiency

1.9

Which statement is **correct** regarding EDLP

- A. Increases Implied Demand Uncertainty and decreases Advertisement/Promotional costs
- B. Decreases Implied Demand Uncertainty and Advertisement/Promotional costs
- C. Increases Implied Demand Uncertainty and Advertisement/Promotional costs
- D. Increases the variation in order sizes placed by stores on upstream stage
- E. Decreases Implied Demand Uncertainty and increases Advertisement/Promotional costs

1.10

A supply chain features a constant flow of

- A. information, product and funds.
- B. personnel, information, and policies.
- C. processes, funds, and product.
- D. product, processes, and support.

1.11

The trade-off that a supply chain manager must consider when planning safety inventory is

- A. increasing product availability versus increasing inventory holding costs.
- B. decreasing product availability versus decreasing inventory holding costs.
- C. increasing product availability versus raising the level of safety inventory.
- D. decreasing product availability versus decreasing the level of safety inventory.

1.12

Cycle inventory exists because producing or purchasing in large lots allows a stage of the supply chain to

- A. exploit economies of scale and decrease stockout costs.
- B. exploit economies of scale and lower cost.
- C. decrease demand uncertainty and lower cost.
- D. increase the service level

Section B : Subjective Type Questions (Short Answer Questions)

Max. Marks-16

(Answer all questions, Total Marks= 8x2=16)

Q2

In the 1980s, Asian paint was sold by color and size in paint stores. Today, paint is mixed at the paint retail store according to the color required by using a color mixing machine. Discuss push & pull processes. Thereafter, examine the impact of this restructuring on various supply chain costs and customer value factors in Asia paint supply chain.

Marks-8

Q3

Discuss the resulting effect and consequent impact on supply chain costs if each stage of a supply chain views demand faced by it as the orders placed by the downstream stage? Examine

actions or ways by which supply chain manager can achieve coordination in supply chain for better performance.

Marks-8

Section C : Subjective Type Questions (Long Answer Questions)

Max.Marks-30

(Answer all questions)

Q4

“QIT Electronics” is a large distributor (based in Delhi) of imported electronic products and accessories (Mobile phones, notebooks, notepads, speakers, headphones, mouse, battery chargers, cables, mobile / laptop covers, mousepad and other accessories etc). The products are sold to end consumer through a network of dealer retail stores spread across Northern India.

A new dealer for Jammu city has recently been appointed. The Logistics Manager at “QIT Electronics” have two options vis-à-vis mode of transportation to ship products from Delhi to Jammu i.e either through Air or Road transport.

- a) What type of products are best suited to be transported by Air from Delhi to Jammu? Analyse and provide suitable reasons? (*Hint: Analyse in terms of product characteristics i.e product value, demand volume, demand uncertainty etc and supply costs involved*).

Marks-7

- b) What type of products are best suited to be transported by Road from Delhi to Jammu? Analyse and provide suitable reasons? (*Hint: Analyse in terms of product characteristics i.e product value, demand volume, demand uncertainty etc and supply costs involved*).

Marks-7

- c) Presently the company employs “Retail Storage with Customer Pickup” distribution network design i.e sells its products to its end customers through company owned retail stores as well as through its dealership network. Evaluate this distribution network design in terms of supply chain costs and customer value factors.

Marks-7

Q5

Discuss various supply chain strategic decisions vis – a vis various drivers of supply chain management taken by Walmart (in relation to it’s flagship Super-Centers stores) to achieve strategic fit between it’s competitive strategy and supply chain strategy.

Marks-9