PRESIDENCY UNIVERSITY
BENGALURU

SCHOOL OF MANAGEMENT
MID TERM EXAMINATION - NOV 2023

Semester : Semester III - 2022
Course Code : MBA3057
Course Name : Sem III - MBA3057 - Global Integrated Supply Chain
Program : MBA

Date : 3-NOV-2023
Time : 10:00AM - 11:30AM
Max Marks : 50
Weightage : 25%

Instructions:
(i) Read all questions carefully and answer accordingly.
(ii) Question paper consists of 3 parts.
(iii) Scientific and non-programmable calculator are permitted.
(iv) Do not write any information on the question paper other than Roll Number.

PART A

ANSWER ALL THE QUESTIONS   (5 X 2 = 10M)

1. List the challenges in global supply chain management.   (CO1) [Knowledge]

2. Define Global Supply Chain Management.   (CO1) [Knowledge]

3. List the various methods for understanding the customer expectations.   (CO2) [Knowledge]

4. State the strategic integration supply chain processes.   (CO2) [Knowledge]

5. Describe the benefits of vendor managed inventory.   (CO3) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS   (3 X 6 = 18M)

6. Explain the evolution of the Logistics and supply chain.

                                            (CO2) [Comprehension]

7. Illustrate different level of supply chain in business.

                                            (CO2) [Comprehension]

8. Explain how to build the customer relationship in supply chain management.

                                            (CO2) [Comprehension]

ANSWER THE FOLLOWING QUESTION   **(2 X 11 = 22M)**

9.   Good Food Limited, established in 1980, distributes a 100-item product line of canned vegetables, fruits, condiments, and especially items to wholesalers in several states. Good Food introduced a customer order policy that was designed to improve Good Food's service to its wholesalers and effectiveness of the sales representatives. This program was based on two important features, namely, (i) freeing sales representatives from order taking, and (ii) receiving orders from wholesalers on the basis of a predetermined schedule. The company's sales representatives were no longer to process customer orders due to the following reason. Previously, they had accumulated wholesale orders until they had enough volume to make up a truckload; then they would send the orders to the head office. Under the new program, wholesalers were to e-mail their orders directly to the head office according to a fixed schedule. If they missed their fixed date, they had to wait for the next one. The procedures were designed to increase the number of calls that the sales representatives could make. By eliminating the need to prepare orders, Good Food hoped that the sales representatives would spend more time determining sales patterns and the effect of various sales promotions. Unfortunately, many of the wholesalers neglected to follow the predetermined order schedule. They were not accustomed to having someone tell them when to order, and some of them objected to the regimentation and lack of flexibility. Others had become dependent on the sales representatives to determine what their requirements were and believed that the new program made more work for them. If the orders did not reach Good Food's head office according to the schedule, the wholesaler had to wait for 2 weeks. When a stock out occurred, the affected wholesaler could lose from 20% to 50% of the sales of Good Food's products. Good Food also suffered in this way. Wholesalers and retailers carried several product lines of other brands. Hence, when they ran out of Good Food brands, they simply sold other brands. Good Food has no integrated logistics department to effectively deal with its distribution activities. In the past, three of its sales representatives arranged for the necessary transportation. When they accumulated orders worth a full truckload, they would send the orders to the Good Food's head office. To expedite shipment for an anxious wholesaler, a sales representative in one area would try to pool orders with another sales representative of a different area. However, the introduction of new practice meant that head office would ship according to fixed schedule and arrange shipment with the wholesalers, even if the orders totalled less than full truckload.

Questions:

1) Detail a system that will provide better service to Good Food's customers, improve sales and build closer ties between Good Food and its wholesalers. Discuss, in particular, the necessity of long term and one-to-one relationship with wholesalers

2) Suggest warehousing system for quick, effective delivery of goods.

                                                                       (CO1) [Application]

10. The Production Planning Department of the company which is located at Akola in Maharashtra, has the responsibility of controlling the inventory level at the plant warehouse at Nagpur as well as the three distribution centres located at Nasik in Maharashtra, Bhopal in Madhya Pradesh and Hyderabad in Andhra Pradesh. Planning has been routinely based on past experience and history. No formal forecasting is performed by the company. Distribution centres get their requirements by rail from Nagpur. The lead time of replenishment from Nagpur to distribution centres is 7 days. There plenishment rate is 48 to 54 pallets per wagon depending upon the type of wagon used. In case there is any emergency demand, then 18 pallets can be made available by truck with 3 days transit time. Recently, the company has experienced two major stock-outs for its consumer size 5 kg sacks of refined quality white flour. One of these was problems in the milling operations, the other occurred when the marketing department initiated 'buy-one-get-one-free' coupon promotion. Ever since these events took place, the planning has become excessively couscous and hence, errs on the side having excessive inventories at the distribution centres. Additionally, two other events have affected distribution centre's through puts(1) implementation of direct factory supply for replenishing the five largest super market chains and (2) a price increasing making the Mumbai Flour Mills more expensive than its national brand competitors such as Eillsburry, or Tata Maida. Out of the 1,500 pallets in Hyderabad distribution centre, the Mumbai Flour Mills shows only 396 pallets for open orders. This has led the company to use outside overflow storage where there are another 480 pallets. Flour is easily damaged. Hence, the company prefers to minimize handling. Overstocking at the distribution centres alone costs Rs. 1.85 per pallet for outside storage to which must be added Rs. 4.25 per pallet extra handling charges and Rs. 225 truck load for transportation. Similar scenarios are seen at other distribution centres as well. Mr Mohan, the distribution manager, is contemplating various approaches to solve the inventory problem. It is clear that the product must be in place at the time a consumer is making a decision to buy the product At the same time, the company cannot tolerate the overstocking situation and the stress that it is putting on facilities and cash flow. Mr Mohan's first thought is "better information system", which will provide timely and accurate information throughout the organization.

On the basis of the above case, answer the following questions:

1) Evaluate the alternate solution which could possibly be considered by Mr Mohan
2) Critically examine the transportation system of the company. Enumerate its drawbacks.

(CO4) [Application]