

MBA III Semester Supplementary Examinations May 2019

**SUPPLY CHAIN MANAGEMENT**

(For students admitted in 2017 only)

Time: 3 hours

Max. Marks: 60

All questions carry equal marks

\*\*\*\*\*

**SECTION – A**

(Answer the following: 05 X 10 = 50 Marks)

- 1 How can CRM applications increase the effectiveness and productivity of a firm's sales force?  
**OR**
- 2 Why logistics plays a vital role in supply chain management process? Discuss the advantages and limitations of SCM.
- 3 Explain the process of production and purchase process of supply chain.  
**OR**
- 4 Discuss various steps in supplier selection and models of outsourcing.
- 5 Explain the structure of distribution network design in detail.  
**OR**
- 6 Discuss briefly network design decisions using decision tree.
- 7 Discuss the planning and management of demand and supply in a supply chain.  
**OR**
- 8 Explain the supply chain management through online and distinguish purchasing and production in SCM.
- 9 What is Bullwhip effect? Discuss the process of supply chain integration.  
**OR**
- 10 Explain supply chain restructuring, mapping and discuss how you measure the performance in the supply chain.

**SECTION – B**

(Compulsory Question, 01 X 10 = 10 Marks)

11 **Case study:**

Weld Well (WW), a leading company has been buying its office supplies from the same supplier for some time. Jayanta, a salesman of the office supply company, has been calling on WW for over three years. Much to Jayanta's dismay, it has always been the practice of WW to buy the smallest size available of a particular for-part preprinted billing form at a cost of Rs. 615 for 10000 forms. These forms contain the WW logo and standard information printed on them. The rationale for the particular buying policy was to spend the least amount of money possible on office stationery items.

Contd. in page 2

Recently, Mr. Thakkar of WW attended a training programme on SCM arranged by a local business school, which dealt with inventory systems and materials management. Thakkar was anxious to save WW money by applying the techniques he learned in the class. When Jayanta contacted Thakkar he was amazed to learn that he wished to purchase the largest lot size of the for-part billing form. It was 30000 forms at Rs. 1750. Jayanta could not the sudden change in policy. Upon questioning Thakkar, he found that he used a quantitative model by which the cost of inventory holding and the ordering costs can be balanced, yet maintaining adequate office supplies. Thakkar explained that by analyzing all the relevant variable costs, he could save substantially by purchasing the large quantity of pre-printed billing forms.

**Questions:**

- (a) Explain the rationale of Mr. Thakkar of buying in large quantity.
- (b) What is the annual cost saving of the larger order?

\*\*\*\*\*