



**UTHM**

Universiti Tun Hussein Onn Malaysia

**UNIVERSITI TUN HUSSEIN ONN MALAYSIA**

**FINAL EXAMINATION  
SEMESTER I  
SESSION 2016/2017**

**TERBUKA**

COURSE NAME : SUPPLY CHAIN MANAGEMENT  
COURSE CODE : BPB 32303  
PROGRAMME CODE : BPA  
EXAMINATION DATE : DECEMBER 2016 / JANUARY 2017  
DURATION : 3 HOURS  
INSTRUCTION : ANSWER ALL QUESTIONS

THIS QUESTION PAPER CONSISTS OF **FOUR (4)** PAGES

- Q1**
- (a) State **TWO (2)** requirements of supply chain coordination. (2 marks)
  - (b) Lack of supply chain coordination can result in a phenomenon called *bullwhip effect*.
    - (i) Define bullwhip effect. (2 marks)
    - (ii) State the impact of bullwhip effect on supply chain. (1 mark)
  - (c) Explain **TWO (2)** obstacles to coordination in a supply chain. (10 marks)
  - (d) Discuss **TWO (2)** actions that a manager can take to overcome the obstacles in **Q1(c)** to coordinate supply activities effectively. (10 marks)
- Q2**
- (a) Describe **FOUR (4)** supply chain parties that can affect transportation activities. (4 marks)
  - (b) List **SIX (6)** types of transportation modes. (3 marks)
  - (c) (i) Illustrate **TWO (2)** types of transportation network designs. (4 marks)
  - (ii) State **ONE (1)** advantage and disadvantage of each network design in **Q2 b(i)**. (4 marks)
  - (e) Consider yourself a manager of a large banana chips factory in Parit Raja that has retails stores all over Malaysia. All transportation decisions taken by your company, therefore, need to take into account their impact on inventory costs, facility and processing costs, the cost of coordinating operations, and the level of responsiveness provided to customers. As a manager, you must consider the trade-offs that could occur when making the transportation decisions.  
  
Differentiate **TWO (2)** categories of trade-offs that you must consider. (10 marks)



**Q3** Purchasing, or procurement, is the process by which companies acquire raw materials, components, products, services, or other resources from suppliers to execute their operations. The entire set of business processes required to purchase (or procure) goods and services is called *sourcing*.

Imagine that you are a manager of a furniture company in Parit Raja. Your company has decided to design and sell a new series of furniture that are made of bamboo in its retail stores. The production of the furniture will be outsourced to third parties. As a manager, you need to ensure that the sourcing strategies that your company uses will be able to help it achieve its supply chain efficiency and responsiveness goals.

- (a) Use **FIVE (5)** key sourcing processes to demonstrate the strategies that you can implement to source for suitable suppliers needed to produce the furniture. (15 marks)
- (b) Explain **TWO (2)** factors that you must consider when making sourcing decisions. (8 marks)
- (c) State **TWO (2)** benefits of effective sourcing decisions to your company. (2 marks)

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**Q4** Sustainable supply chain management concerns supply chain design and operations that emphasize environmental and social responsibility beyond the ownership and uses of a particular product or services throughout the supply chain. It also includes end-of-life considerations of the product.

AEON Big is a grocery and general merchandise retailer, which has 25 supermarkets and hypermarkets in Malaysia including one in Batu Pahat. As a company that is involved in food business, AEON Big products such as fruits, vegetables, meat and other processed foods come from natural resources. Therefore, the long-term success of AEON Big business depends on its ability to protect the environment.

One of the challenges that AEON Big faces in its efforts to improve the sustainability of its supply chain includes the increase in society awareness regarding the loss of natural resources resulted from the waste of perishable foods. In addition, consumers demand that the foods sold are of high quality and safety standards. In order to address these challenges, AEON Big has expressed its commitment in reducing its impact on the environment and consumers' safety and health. The company plans to focus on sustainability strategy that can help it identify risks and opportunities in its supply chain activities.

As a manager of AEON Big supply chain management department in Batu Pahat, you are asked to identify the strategies that can help improve the sustainability of the company's supply chains by focusing on the main supply chain drivers.

- (a) Choose **TWO (2)** supply chain drivers that you think AEON Big at Batu Pahat should focus on to improve its supply chain sustainability, with justifications for your choices.

(15 marks)

- (b) One of the biggest opportunities to improve sustainability is for AEON Big to implement closed-loop supply chain practices, which involves design, production, or use of products that can be re-used and recycled.

Discuss **TWO (2)** challenges that AEON Big must consider in developing closed-loop supply chains.

(10 marks)

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**-END OF QUESTIONS-**