

CONFIDENTIAL



UTHM

Universiti Tun Hussein Onn Malaysia

UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2019/2020**

COURSE NAME : SUPPLY CHAIN MANAGEMENT
COURSE CODE : BPB 32303
PROGRAMME CODE : BPB
EXAMINATION DATE : DECEMBER 2019 / JANUARY 2020
DURATION : 3 HOURS
INSTRUCTION : ANSWER ALL QUESTIONS

TERBUKA

THIS QUESTION PAPER CONSISTS OF **THREE (3)** PAGES

CONFIDENTIAL

- Q1 (a)** The design of a transportation network affects the performance of a supply chain by establishing within which operational decisions regarding scheduling and the routing are made.

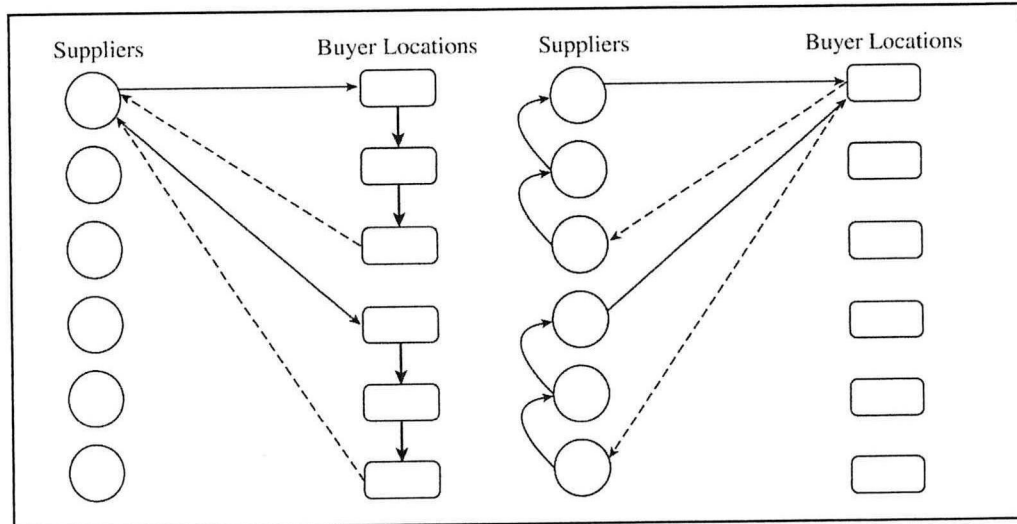


Figure Q1: Direct Shipping with Milk Runs

As shown in **Figure Q1**, Direct Shipping with Milk Runs is one of a variety of transportation networks.

- (i) Outline the system works Direct Shipping with Milk Runs in transportation networks. (5 marks)
 - (ii) Explain **TWO (2)** benefits of using Direct Shipping with Milk Runs against others transportation network. (4 marks)
 - (iii) Identify **TWO (2)** disadvantages of the system. (4 marks)
- (b) 7 Eleven has eight stores in Batu Pahat district supplied from four supply sources. Trucks have a capacity of 40,000 units and cost RM1,000 per delivery. The cost of holding one unit in inventory at retail for a year is RM0.20. Each delivery is considered Full Truck Load (TL) and using 'Direct Shipment Network'. If annual sales for each product at each retail store are 960,000 units;

Calculate:

- (i) Number of deliveries per year from each supplier to each store. (4 marks)

(ii) Annual trucking cost from one source to eight stores for direct network.
(4 marks)

(iii) Annual trucking cost from all sources to all stores for direct network.
(4 marks)

Q2 Sourcing decisions is to enable managers to consider all the trade-offs involved to maximize value extracted from every stage of a sourcing relationship.

(a) Discuss **FIVE (5)** factors other than quoted price that must be considered when making sourcing decisions.
(10 marks)

(b) Demonstrate **THREE (3)** benefits of effective sourcing decision and give an example of each trait.
(15 marks)

Q3 (a) Define bullwhip effect.
(2 marks)

(c) Explain bullwhip effect in relation to lack of coordination in the supply chain.
(8 marks)

(c) An auto manufacturer sources both office supplies and subsystems such as seats. Propose sourcing strategy for the two types of products to the top management.
(15 marks)

Q4 (a) Explain the concepts of sustainability supply chains.
(5 marks)

(b) Discuss **FOUR (4)** opportunities to improve sustainability in various supply chain drivers.
(20 marks)

-END OF QUESTIONS-

TERBUKA