

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA – SEMESTER 4 – • EXAMINATION – SUMMER 2016

Subject Code: 2840005

Date: 03/05/2016

Subject Name: Supply Chain Management (SCM)

Time: 10.30 AM TO 01.30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.	Question	Marks.
1. (a)		06
1.	The drive for strategic fit should come from A. the supply chain manager. B. the strategic planning department. C. Top level D. Middle level	
2.	The functions and stages that devise an integrated strategy with a shared objective are referred to as A. competitive strategy. B. supply chain strategy. C. scope of strategic fit. D. scope of marketing strategy.	
3.	A _____ strategy specifies the portfolio of new products that a company will try to develop. A. Product Development B. Marketing and Sales C. Supply chain D. Finance	
4.	A firm can vary supply of product by controlling A. production capacity and inventory. B. production capacity and price promotions. C. price promotions and inventory. D. none of the above	
5.	A shortage of capacity (or inventory) occurs when A. there are excessive cancellations. B. there are few cancellations. C. an expensive backup needs to be arranged. D. B and C only	
6.	Which mode of transportation is the dominant form of freight transportation? A. Air B. Truck C. Rail D. water	

04

Q. 1 Define Terms

- (B)**
- (1) Agent
 - (2) Air cargo
 - (3) assembly
 - (4) Transport risk

- Q. 1 Short Answer 04**
(C.) 1. Shorter product life cycle?
2. what is third party logistics?
- Q.2**
(a) Explain in detail the supply chain management and the importance of supply chain? **07**
(b) Can ideas of supply chain management be applied to firms like Wipro & Infosys, which offers software services? **07**
- OR**
- (b) Describe the supply chain involved in making the bar of dove soap that you have just picked up from your neighborhood retail store **07**
- Q.3**
(a) Write a note on Cross Docking. **07**
(b) Write a note on Transportation Costs in E-Retailing. **07**
- OR**
- (a) What are the impact of sourcing strategy on supply chain? **07**
(b) How important is coordination between Pepsi company and their bottling plants? Is it necessary to bottling plants if the Pepsi companies want to achieve a better degree of coordination at the local level of operations? **07**
- Q.4**
(a) Write a note on Bullwhip Effect. **07**
(b) What are the main source of supply chain disruptions? How do supply chain disruptions impact business performance? **07**
- OR**
- (a) What is innovative pricing in supply chain management? **07**
(b) In what ways Indian railways apply the idea of revenue management in its operations? **07**

Q. 5 Case Study 14 Marks

Dell Cooperation

In 1983, 18-year-old Michael Dell left college to work full-time for the company he founded as a freshman, providing hard-drive upgrades to corporate customers. In a year's time, Dell's venture had \$6 million in annual sales. In 1985, Dell changed his strategy to begin offering built-to-order computers., Dell's revenues had topped an astounding \$25 billion. Well before use of the Internet went mainstream, Dell had begun integrating online order status updates and technical support into their customer-facing operations. While most other PCs were sold preconfigured and pre-assembled in retail stores,

On the manufacturing side, the company pursued an aggressive strategy of "virtual integration." Dell required a highly reliable supply of top-quality PC components, but management did not want to integrate backward to become its own parts manufacturer. Instead, the company sought to develop long-term relationships with select, name-brand PC component manufacturers. This allowed the company to communicate with supplier inventory hubs in real time for the delivery of a precise number of required components on short notice. This "just-in-time," low-inventory strategy reduced the time it took for Dell to bring new PC models to market and resulted in significant cost advantages over the traditional stored-inventory method. This strategic closeness with supplier partners allowed Dell to reap the benefits of vertical integration, without requiring the company to invest billions setting up its own manufacturing operations in-house.

Innovation on the assembly floor: In 1997, Dell reorganized its assembly processes. Rather than having long assembly lines with each worker repeatedly performing a single task, Dell instituted “manufacturing cells.” These “cells” grouped workers together around a workstation where they assembled entire PCs according to customer specifications. Cell manufacturing doubled the company’s manufacturing productivity per square foot of assembly space, and reduced assembly times by 75%. **Enhancing customer value:** Forgoing the retail route allowed Dell to simultaneously improve margins while offering consumers a better price on their PCs.

This move also gave customers a chance to configure PCs according to their specific computing needs. The dramatic improvement in customer value that resulted from Dell’s unique distribution strategy propelled the company to a leading market position. **Process and operations innovation:** Michael Dell recognized that “the way things had always been done” wasn’t the best or most efficient way to run things at his company. It is always worth re-examining process-based work to see if a change could improve efficiency. **Let data do the driving:** Harnessing the easily accessible sales and customer feedback data that resulted from online sales allowed Dell to stay ahead of the demand curve in the rapidly evolving PC market.

Q. 1 Explain the concept of just in time concept with reference to dell?

Q.2 What are Major points on which the success of dell supply chain depends?

Q.3 Explain the supply chain management process of dell?

OR

Q. 5 Case study

14 marks

Apple Company

The same time Steve Jobs re-entered the company, and he transform Apple’s messy operations into a success, becoming COO in 2005 and CEO in 2011. Apple purchases components and materials from various suppliers, then gets them shipped to the assembling plant in China. From there, products are shipped directly to consumers (via UPS/Fedex) who bought from Apple's Online Store. For other distribution channels such as retail stores and other distributors, Apple keeps products at Elk Grove, California (where central warehouse and call center are located) and ships products from there. At the end of product's life, customer can send products back to nearest Apple Stores or dedicated recycling facilities.

Apple is committed to the highest standards of social and environmental responsibility and ethical conduct. Apple’s suppliers are required to provide safe working conditions, treat workers with dignity and respect, act fairly and ethically, and use environmentally responsible practices wherever they make products or perform services for Apple. Apple requires its suppliers to operate in accordance with the principles in this Apple Supplier Code of Conduct (“Code”) and in full compliance with all applicable laws and regulations. This Code goes beyond mere compliance with the law by drawing upon internationally recognized standards to advance social and environmental responsibility.

When differences arise between standards and legal requirements, the stricter standard shall apply, in compliance with applicable law. This Code outlines Apple’s expectations for Supplier conduct regarding labor and human rights, health and safety, environmental protection, ethics, and management practices. Apple will assess its suppliers’ compliance with this Code, and any violations of this Code may jeopardize the supplier’s business relationship with Apple, up to and including termination.

Additionally, Apple maintains detailed standards that explicitly define our expectations for compliance with this Code. Labor and Human Rights Apple believes all workers in our supply chain deserve a fair and ethical workplace. Workers must be treated with the utmost

dignity and respect, and suppliers shall uphold the highest standards of human rights. Antidiscrimination

Supplier shall not discriminate against any worker based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, gender identity, union membership, or any other status protected by country law, in hiring and other employment practices. Supplier shall not require pregnancy or medical tests, except where required by applicable laws or regulations or prudent for workplace safety, and shall not improperly discriminate based on test results. Anti-Harassment and Abuse Supplier shall commit to a workplace free of harassment and abuse. Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment, including but not limited to verbal abuse and harassment, psychological harassment, mental and physical coercion.

Prevention of Involuntary Labor and Human Trafficking Supplier shall ensure that all work is voluntary. Supplier shall not traffic persons or use any form of slave, forced, bonded, indentured, or prison labor. Involuntary labor includes the transportation, harboring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation.

Q.1 What are the measure taken by Apple company to deal with its suppliers?

Q.2. Apple maintains detailed standards that explicitly define our expectations for compliance with this Code?

Q.3 Explain the supply chain of Apple?
