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BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) :

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Subject Code & Name : BRL1306 Supply Chain Management
Semester & Year : September – December 2017
Lecturer/Examiner : Dr. Lai Ving Kam
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (40 marks) : Answer all THREE (3) Case Study questions. Answers are to be written in the Answer Booklet provided.
PART B (60 marks) : Answer only FIVE (5) essay questions out of NINE (9) questions given. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions.

WARNING: The University Examination Board (UEB) of BERJAYA University College of Hospitality regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College of Hospitality.

Total Number of pages = 6 (Including the cover page)

PART A : Case Study Questions

INSTRUCTION(S) : Answer ALL questions on the answer sheet provided.

Part A

Case study for Part A- BRL1306 Supply Chain Management

Malaysia Logistics and Supply Chain Management Industry Development

Current global market volatility continues to put pressure in commoditizing the products and technologies thus their lifecycles are rapidly shortening. Service sector is the existing prime mover of Malaysia GDP. It is more than double the size of manufacturing in 2016. Market survey analyses suggest strong growth in service logistics and supply chain management which embraces hospitality, retail, tourism and other services while Malaysia has lost its attractiveness in manufacturing sector. Both product and service industries are converging into combination products, thus sharing similar logistics and supply chain management practices and theoretical principles. But the university and college education programmes are still skewed towards manufacturing sector. Thus ill prepare to support the talent pipeline development to advance the logistics and Supply Chain management competencies.

The higher China manufacturing costs exacerbate by western world and Japan's tactical initiatives to block and to rebalance China's strong position as world manufacturing centre result in some reverse flows of manufacturing activities to other lower cost regions. These provide growing opportunities for Malaysia to be in leadership position in driving the ASEAN to make the region the lower cost manufacturing centre of the world. Design and develop enhanced logistics and supply chain management core competencies through under and post graduate education programmes for ASEAN and Asia region will enlarge the catchment areas for Malaysian University and college programmes.

Looking at the economic performances, the entire logistics and supply chain management in Malaysia has not been fully deployed to support the building of competitive advantage of respective firms and industries; and comparative advantage of the country. China's initiatives on One Belt One Road (OBOR); China manufacturing 2025; Germany Industry 4.0; Make in India; USA manufacturing re-shoring, Global Industry 4.0, coming of 5G telecommunication technology and many other prominent initiatives will result in four challenges:

1. Constant and rapid shortening of products and technologies lifecycle provide platform to focus on adaptive responsive logistics and supply chain management
2. Centrality of global connectivity in rapid market demand
3. Changing logistics and supply chain management working principles and processes.
4. The growing importance of service sector as primary GDP contributor

However, Malaysia's geographical advantage has positioned Malaysia strategically to regional resources and supply chains in the South East Asia Region. Strong trade openness policy and trade infrastructure such as transportation, communication and financial services have facilitate and widen market reach in the region. Malaysia ranked at 32th position in the WEF Global Competitiveness Ranking for Quality Transport Infrastructure (roads, railroads, seaports and air) for the 2016 period. Malaysia offers a cost competitive location for investors intending to set up offshore operations for services and manufacturing activities including in the areas of resource-based industries, high-technology industries, knowledge-based and advanced technology industries for regional and international markets. Malaysia holds a steady third place behind India and the People's Republic of China (PRC) in the 2016 AT Kearney's Global Services Location Index and has maintained its position since its inception in 2004. The AT Kearney Index which tracks the off-shoring landscape in 55 countries across three major categories namely financial attractiveness, people skills and availability, and business environment.

Logistics industry forms the backbone of the supply chain and is recognised as key to stimulate trade, facilitates business efficiency and spurs economic growth. It is also vital to the connectivity to the rest of the world and nation's competitiveness. Given its strategic location, steady economic growth, good regional linkages, and strong transport infrastructure: Malaysia has the right endowments to position itself as a regional logistics gateway. In cognisance of its potential, the Economic Planning Unit (EPU) developed the Logistics and Trade Facilitation Master Plan to provide the strategic direction for the development of the logistics industry to further improve its productivity and competitiveness. In developing the Master plan, extensive stakeholder consultations were carried out with industry players, public sector agencies, non-governmental organisations and academicians.

Current volatile global market conditions provide the impetus in supporting the advancement of enhanced logistics and supply chain management education and skill training. Design and development of adaptive responsive logistics and supply chain management programme with a balanced focus on both manufacturing and service supply chain has become pertinent. Finding the best options for delivering high quality education programmes in Logistics and Supply Chain Management to meet the needs of changing local industry, country, regional and global expectations is imperative.

Developed by Dr. Lai Ving Kam Associate Professor

January 10, 2017

Question 1

Why the Malaysian government thinks that Logistics and Supply Chain Management give them a new lifeline to sustain business continuity? Identify at least **FOUR (4)** concerns on the viability of Logistics and Supply Chain Management business in Malaysia? Justify your answer.

(13 Marks)

Question 2

What are the challenges faced by Malaysia local industries in advancing the strategic positions while the government is optimistic about the future development of Logistics and Supply Chain management? Describe at least **FOUR (4)** of them with justifications.

(13 Marks)

Question 3

As a Supply Chain Vice President in your company, identify **Four (4)** suggestions on how would you want the Logistics and Supply Chain Management education programmes to be developed and delivered to manage the increasing business volatility especially the constant products and technology lifecycles shortening with enhanced logistics and supply chain management physical connectivity?

(14 Marks)

END OF PART A

PART B : ESSAY QUESTIONS (60 MARKS)

INSTRUCTION(S) : Answer only FIVE (5) essay questions out of total NINE (9) questions given. Answers are to be written in the Answer Booklet provided.

Question 1

They are **THREE (3)** Supply Chain Macro Processes, **describe and explain** them.

(12 Marks)

Question 2

Appraise and evaluate the consequences of Supply Chain complexity. You are required to provide at least **FIVE (5)** significant consequences and justify your answers.

(12 Marks)

Question 3

a) It is now clear that by sharing demand information with each stage of the Supply Chain, we can significantly reduce the bullwhip effect. Describe **FIVE (5)** ways to lessen the bullwhip effect in supply chain management

(6 Marks)

b) Summarize at least **FIVE (5)** consequences of bullwhip effect.

(6 Marks)

Question 4

a) Critically relate **THREE (3)** roles of Distribution in Supply Chain Management. Justify your argument.

(6 Marks)

b) Cross-Docking popularized by Wal-Mart has make warehouses function as inventory coordination points rather than as inventory storage points. Describe at least **THREE (3)** issues with Cross-Docking

(6 Marks)

Question 5

a) Outline at least **FIVE (5)** types of inventory in Supply Chain Management.

(6 Marks)

b) Describe the role of Cycle Inventory in Supply Chain Management.

(6 Marks)

Question 6

Appraise and provide **THREE (3)** advantages and disadvantages of Multilevel Distribution system in a company which you are familiar.

(12 Marks)

Question 7

Select a company which you are familiar and propose at least **FOUR (4)** strategic alliance options that you can apply to its supply chain management functions. Justify your answers.

(12 Marks)

Question 8

a) Many technology companies outsource manufacturing, and even innovation, to Asian manufacturers. Several factors determine which processes are candidates for outsourcing, evaluate at least **FIVE (5)** factors involved?

(6 Marks)

b) Evaluate **FIVE (5)** disadvantages of outsourcing of IT service.

(6 Marks)

Question 9

a) Make-or-buy decisions also occur at the operational level. Assess at least **FIVE (5)** considerations that favour making a product in house. Justify your answers.

(6 Marks)

b) Describe **FIVE (5)** factors influencing firms to buy a part externally.

(6 Marks)

END OF EXAM PAPER