



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **MGT2223 Supply Chain Management**
Trimester & Year : September- December 2018
Lecturer/Examiner : Dr. Lai Ving Kam, Associate Professor
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
 - PART A (40 marks) : Read the case study and answer all THREE (3) Case Study questions. Answers are to be written in the Answer Booklet provided.
 - PART B (60 marks) : Answer 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, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College 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.

Total Number of pages = 7 (Including the cover page)

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

Part A

THREE (3) Case study questions. Answer **ALL** questions in the Answer Book provided

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, 2018

Question 1

Supply Chain Management (SCM) is very complex and much larger in scope than business and constantly changing by the minutes.

a. Describe the **FOUR (4)** current industry environments in Malaysian supply chain Management.

(6 Marks)

b. Identify **FOUR (4)** concerns on the viability of Logistics and Supply Chain Management business in Malaysia. Justify your answer.

(6 Marks)

[Total 12 Marks]

Question 2

To support the first **Digital hub** in the world which is located at KLIA (Kuala Lumpur International Airport) **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.

(12 Marks)

Question 3

Identify **FOUR (4)** focuses of how would you want the Logistics and Supply Chain Management education programmes to be developed and delivered to manage the increasing business volatility and enhanced logistics and supply chain management physical connectivity?

(16 Marks)

END OF PART A

PART B : ESSAY QUESTIONS (60 MARKS)
INSTRUCTION(S) : Answer only FIVE (5) essay questions out of total 9 questions given.
Answers are to be written in the Answer Booklet provided.

Question 1

Malaysian logistics and supply chain management was delinked from global environment since 2000, to reconnect illustrates **FOUR (4)** core competencies that Malaysia must regain. Justify your answers.

(12 Marks)

Question 2

Supply Chain Management deals with the management of materials, information, and financial flows in a network consisting of suppliers, manufacturers, distributors and customers.

Assess the **FIVE (5)** forces in the adaptability in responsive supply chain which is the keys to succeed in today's volatile business environment.

(12 Marks)

Question 3

"Call it distribution or logistics or supply chain management. By whatever name, it is the sinuous, gritty, and cumbersome process by which companies move materials, parts, and products to customers".

a. Illustrate **FOUR (4)** success factors in Supply Chain Management.

(8 Marks)

b. Logistics Management is the efficient management of the flow of materials inbound-through and outbound of an organization. Illustrate the **TWO (2)** primary products flows in logistics management.

(4 Marks)

[Total 12 Marks]

Question 4

Marketers need to meet rising customer expectations with an adaptive responsive supply chain. Assess **FOUR (4)** roles of supply chain management in Retail Industry. Justify your answer.

(12 Marks)

Question 5

Supply Chain operates as a Whole –all the links involved in managing the flow of products , services , and information from their suppliers’ suppliers to their customers’ customers that are channel customers-distributors , and retailers)

Describe and explain the THREE (3) Supply Chain Macro Processes in an adaptive responsive supply chain.

(12 Marks)

Question 6

Supply chain management, logistics, distribution and transportation in general, they all affect the methods used by a business to acquire, transport and resell goods within an industry between the point of origin and the point of consumption.

Explain what you understand about

- a. Logistics,
- b. Distribution and
- c. Transportation?

Justify your answers with **THREE (3)** points for each category.

(12 Marks)

Question 7

Strategic alliance is any cooperative effort between two or more independent organisations to develop, manufacture, or sell products or services

- a. Assess the **FOUR (4)** types of strategies adopted by global companies in their global operation.

(6 Marks)

- b. Choose a company which you are familiar and assess at least **TWO (2)** strategic alliance options that you can apply to its supply chain management functions. Justify your answers.

(6 Marks)

[Total 12 Marks]

Question 8

Third Party Logistics (3PL) Provider provides multiple logistics services for use by customers in logistics and supply chain.

- a. Illustrate **FOUR (4)** reasons why the use of Third Party Logistics (3PL) in the industry
(6 Marks)
 - b. Describe **FOUR (4)** different types of Third Party Logistics (3PL) providers
(6 Marks)
- [Total 12 Marks]

Question 9

Many logistics executives now see that transportation becomes an uncontrolled cost unless they actively manage the process further upstream. Manufacturers have an opportunity to apply better inbound transportation practices so that they can:

- a. Illustrate **FOUR (4)** factors considered in rating freight
(6 Marks)
 - b. Assess **FOUR (4)** key transportation management issues.
(6 Marks)
- [Total 12 Marks]

END OF EXAM PAPER