



INDIAN INSTITUTE OF MATERIALS MANAGEMENT

Post Graduate Diploma in Logistics Management

Paper – 2

June 2014

Logistics Fundamentals And Processes.

DATE: 15.06.2014

Max. Marks: 100

TIME: 10.00 a.m. to 1.00 p.m.

Duration: 03 Hrs.

Instructions:

1. From part "A", Each sub-question carries 01 mark(compulsory)
2. From "B", answer any 3 - each question carries 16 Marks
3. Part "C" is a case study with sub question – 20 Marks. (compulsory)
4. Please read the instruction on the answer sheet.

Total Marks 32

Total Marks 48

Total Marks 20

PART-A

Total: 32 Marks

Q1. Select the correct option:

8 marks

1. Which of the following is not a typical supply chain member?

- a. Retailer's creditor
- b. wholesaler
- c. reseller
- d. customer
- e. producer

2. When suppliers, distributors, and customers partner with each other to improve the performance of the entire system, they are participating in a _____

- a. channel of distribution
- b. value delivery network
- c. supply chain
- d. supply and demand chain
- e. demand chain

3. A company's channel decisions directly affect every _____.
- a. customer's choices
 - b. employee in the channel
 - c. channel member
 - d. competitor's actions
 - e. marketing decision
4. From the economic system's point of view, the role of marketing intermediaries is to transform the assortment of products made by producers into the assortment of products wanted by _____
- a. manufacturers
 - b. marketers
 - c. distributors
 - d. consumers
5. Intermediaries play an important role in matching _____.
- a. dealer with customer
 - b. manufacturer to product
 - c. information and promotion
 - d. supply and demand
 - e. product to region
6. Marketing logistics involves getting the right product to the right customer in the right place at the right time. Which one of the following is not included in this process?
- a. Implementing the plan for the flow of goods and services
 - b. planning the physical flow of goods and services
 - c. controlling the physical flow of goods, services, and information
 - d. gathering customer's ideas for new products
 - e. planning the flow of logistics information to meet customer requirements at a profit

7. Which of the following is not an area of responsibility for a logistics manager?

- a. inventory
- b. purchasing
- c. warehousing
- d. information systems
- e. marketing

8. To reduce inventory management costs, many companies use a system called _____, which involves carrying only small inventories of parts or merchandise, often only enough for a few days of operation.

- a. reduction-inventory management
- b. supply chain management
- c. economic order quantity
- d. just-in-time logistics
- e. limited inventory logistics

Q.2 State Say True or false : (8 marks)

1. The supply chain concept originated in the logistics literature
2. Customers are not included as part of supply chains.
3. Supply chain management requires overt management efforts by the organizations within the supply chain.
4. Because customer needs and wants change relatively quickly, supply chains should be fast and lean.
5. A perfect order simultaneously achieves relevant customer metrics
6. Relational exchanges cannot be successful without information sharing among various participants
7. Enhanced communications across organizations in a supply chain is only dependent on the technological capabilities of the organizations .

8. One cause of the bullwhip effect is asymmetrical information among supply chain participants.

Q. 3 Write the full forms of the following :

(8 marks)

- a. TQM –
- b. MAC
- c. OPC –
- d. MS –
- e. TPM –
- f. FPC –
- g. MRP
- h. RRP –

Q. 4 Fill in the blanks: :

(8 marks)

1. The variability in demand orders among supply chain participants: _____
2. Cooperative supply chain relationships developed to enhance the overall business performance of both parties is a definition of _____
3. The bullwhip effect: refers to variability in -----participants.
4. A _____ encompasses all activities associated with the flow and transformation of goods from the raw material stage, through to the end user, as well as the associated information flows.
5. According to Professor Mentzer and colleagues, the supply chain concept originated in -----
----- discipline?
6. Today, a growing number of firms now outsource some or all of their logistics to _____.
intermediaries
7. Julie Newmar recognizes that her company needs to provide better customer service and trim distribution costs through teamwork, both inside the company and among all the marketing channel organizations. Julie will begin the practice of _____.
8. Companies manage their supply chains through _____.

PART-B**(16 x 3 =48)****Total: 48 Marks****Answer any three from the following:**

- Q. 5. Discuss the role of warehouse in reverse logistics?
- Q.6 Explain the relationship among procurement, manufacturing and customer accommodation in a logistics system design?
- Q.7. Explain how logistics performance is crucial to JIT production system ?
- Q. 8 What are the major challenges facing logistics that can be aided by Information technology?
- Q. 9 Discuss:
- a. Internet based procurement
 - b. Electronic data interchange

PART-C**20 marks****Q. 10 Case study:****The Henry Ford of ophthalmology**

High-volume operations can be found in some surprising places – even surgery. Not all surgery conforms to our preconceptions of the individual ‘super-craftsperson’, aided by his or her back-up team, performing the whole operation from first incision to final stitch. Many surgical procedures are, in fact, fairly routine. There can be few examples, however, of surgery being made quite as routine as in the Russian clinics of eye surgeon, Svyatoslav Fyodorov.

He has been called the ‘Henry Ford of ophthalmology’, and his methods are indeed closer to the automobile assembly plant than the conventional operating theatre. The surgical procedure in which he specializes is a revolutionary treatment for myopia (short-sightedness) called radial keratotomy. In the treatment the curvature of the cornea is corrected surgically – still a controversial procedure among some in the profession, but very successful for Fyodorov. From his Moscow headquarters he controls nine clinics throughout Russia.

The source of his fame is not the treatment as such – other eye surgeons around the world perform similar procedures – but the way he organizes the business of the surgery itself. Eight patients lie on moving tables arranged like the spokes of a wheel around its central axis, with only their eyes uncovered. Six surgeons, each with his or her ‘station’, are positioned around the rim of the wheel so that they can access the patients’ eyes. After the surgeons have completed their own particular portion of the whole procedure, the wheel indexes round to take patients to the next stage of their treatment. The surgeons check to make sure that the previous stage of the operation was performed correctly and then go on to perform their own task. Each surgeon’s activity is monitored on TV screens overhead and the surgeons talk to each other through miniature microphones and headsets.

The result of this mass production approach to surgery according to Fyodorov is not only far cheaper unit costs (he and his staff are paid for each patient treated, so they are all exceptionally wealthy as a result) but also a better success rate than that obtained in conventional surgery.

Questions

- Compare this approach to eye surgery with a more conventional approach.
- What do you think are the advantages and disadvantages of this approach to eye surgery?
