INDIAN INSTITUTE OF MATERIALS MANAGEMENT

DEC-2010 Post Graduate Diploma in Logistics Management

Paper –5

Logistical Systems Operation

Date: 11.12.2010

Max. Marks: 100

Time: 2.00 pm to 5.00pm

Duration: 03 Hrs.

Instructions:

- 1. From Part A, answer all questions, each sub question carries 1 mark Total Marks-32
- From Part B, answer any three questions out of five questions. Each question carries 16 marks. Total Marks-48
- 3. Part –C is a case study of 20 marks.

<u>PartA</u>

Q.1 True or False

a)Warehouse is viewed as a switching facility as contrasted to a storage facility -

b)Storage has always been an important aspect of economic development.

c)Shipment consolidation is an economic benefit of warehousing.

d)Warehouse cannot be used to postpone or delayproduction.

e)For a retailer ,inventory means a matter of buying & selling.

f)Decoupling provides maximumoperating efficiency.

g)Safety stock protects against uncertainty.

h)Time series techniques are statistical methods.

Q.2. Fill in the blanks.

Marks(8)

- a) _____ is the logical extension of manufacturing requirements planning.
- b) _____warehouse is operated by the firm.
- c)_____is the prediction of demands.

d)_____ average Forecasting uses an average of the most recent period's sales.

e)Stock in movement is called as _____inventory.

f)Operational ______involves delivery speed and consistency.

- g) Logistical service is the balance of service priority and _____
- h)Most advanced logistical change driver is _____Quality Management.
- Q.3. Give full-form of the following.
 - i) TGT
 - ii) ROP
 - III)AGVS
 - IV)UPS
 - V) MAD
 - VI) SKU
 - VII)TOFC
 - VIII)LTL
- Q.4 : Define in term: Any 4
- 1) Basic material handling.
- 2) Pick to light systems .
- 3) Robotics .
- 4)EOQ
- 5)Consolidation.

<u> PART – B</u>

- Q.5 a)What are components of an integrated forecasting process?
- b)List down three primary functions of packaging?
- Q.6) Explain in detail Techniques of forecasting?
- Q.7 (a) Which are two approaches for developing forecast?

b)Explain DRP & its Benefit?

- Q.8. (a)Write down different types of Warehouses?
- Q.9. Write short notes (Any four)
 - a)Tracking .
 - b)Shipping.
 - c) Spot Stock.
 - d)Break Bulk and cross Dock.
 - e) Average inventory
 - f) Industrial Packaging

PART- C

Q.10.Case Study....

M/s OBC LTD is a 3 PL company offering transportation service to industry at an affordable price. They set up a maintenance facility to maintain high service level.

During an informal visit to the maintenance facility, the president overheard a worker venting out his frustration to his supervisor.

The worker said that he visited four storage locations to collect the required material but managed to fill only part of the order because some items were out of stock. For some reason the MMS (Material management system) showed that, adequate number of items is available. The president was concerned about steady rise in cost of operations. He instructed his Executive assistant to study the situation and make the report.

Following are the executive assistants finding.

- •Computerized materials management system is highly inaccurate
- •Workers withdrew more than what they needed as they feared stock outs.
- •"Just -- in case attitude" was predominant amongst workers.
- Receiving stores staff were reluctant to use computer based systems.
- Material consumption reports were not maintained.
- Users had to make separate requisitions for items kept at each of the store locations and collect the items personally.
 Questions:-

A)Briefly explain the logistical problems in the above case?

B)What plan of action you would suggest to improve the performance?