



UNIVERSITI TUN HUSSEIN ONN MALAYSIA

**FINAL EXAMINATION
SEMESTER I
SESSION 2022/2023**

- COURSE NAME : LOGISTICS MANAGEMENT
- COURSE CODE : BWB 44103
- PROGRAMME CODE : BWQ
- EXAMINATION DATE : FEBRUARY 2023
- DURATION : 2 HOURS 30 MINUTES
- INSTRUCTION :
 1. ANSWER ALL QUESTIONS.
 2. THIS FINAL EXAMINATION IS CONDUCTED VIA **CLOSED BOOK**.
 3. STUDENTS ARE **PROHIBITED** TO CONSULT THEIR OWN MATERIAL OR ANY EXTERNAL RESOURCES DURING THE EXAMINATION CONDUCTED VIA CLOSED BOOK.

THIS EXAMINATION PAPER CONSISTS OF **SIX (6)** PAGES

Q1 Read each statement and determine your answer either **TRUE** or **FALSE**.

- (a) Supply chain length is the number of tiers, or intermediaries, that materials flow through between source and destination. We might think of a supply chain in terms of suppliers, wholesalers and retailers.
(1 mark)
- (b) Material requirements planning uses the master schedule, along with other relevant information, to plan the supply of materials. It is used for independent demand.
(1 mark)
- (c) Some people prefer the term global logistics, to suggest integrated operations in domestic setting.
(1 mark)
- (d) When you do not want a delivery, you always order this amount, and put any spare in stock.
(1 mark)
- (e) Specialized support: As we have already seen with warehousing and transport, many organizations are concentrating on their core competencies and are outsourcing other activities.
(1 mark)

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Question **Q2** till **Q6** are the objectives questions. Choose the best answer.

Q2 One surprisingly common mistake is to design a logistics strategy and then think about implementing it. The obvious way to avoid this is to think about implementation all the way through the design, and always consider the practical effects of any policies. This needs widespread participation in the design process, particularly from those most closely involved with implementation. Some other factors that help devise a strategy that can be used are:

- A an organizational structure that is inflexible and allows innovation.
- B unformal procedures for translating the strategy into reasonable decisions at lower levels.
- C ineffective systems to distribute information and support management decisions.
- D open communications which encourage the free exchange of ideas.

(1 mark)

Q3 Enabling practices are the activities associated with the supply chain that allow it to work efficiently. We might, for example, say that reliable information processing is an enabling practice that allows logistics to function properly.

- A Inflexible capacity, dealing effectively with peaks and troughs in demand.
- B Higher exposure to risk from, say, varying demand.
- C Increased geographical coverage and local knowledge.
- D A convenient way of exit new markets.

(1 mark)

Q4 Benefits of MRP. Traditional, independent demand systems forecast likely demand for materials, and then hold stocks that are high enough to meet these. To allow for the inevitable errors in their forecasts, organizations hold more stocks than they really need. These extra stocks give a measure of safety, but they also increase the inventory costs.

MRP avoids these costs by relating the supply of materials directly to demand. Benefits that come from this direct link include, **EXCEPT**

- A lower stock levels, with savings in capital, space and warehousing.
- B lower stock turnover.
- C better customer service with no delays caused by shortages of materials.
- D more reliable and faster delivery times.

(1 mark)

Q5 Of course, not everybody is in favor of removing barriers at international borders or encouraging trade. They argue that there should be strict controls over exports and, more particularly, imports. Thus, considerations like excise duty and customs charges serve the main purposes of

- A unpreventing goods that are considered undesirable from entering a country.
- B protecting domestic producers from local competition.
- C generating revenue for the host country.
- D collecting statistics on untraded.

(1 mark)

Q6 Ideally, organisations should aim for global operations, with their efficient operations and single, seamless market and organization. Unfortunately, many organisations find it difficult to implement the strategies needed to achieve these. There are many barriers and problems including the following, **EXCEPT**

- A different regions demand different types of product.
- B products do not lend themselves to global operations.
- C global products are not viewed favorably and are rejected by customers.
- D organizations lack the human and technical resources needed to compete locally.

(1 mark)

- Q7** (a) A supermarket sells loaves of bread one at a time and delivered them by the truckload. Discuss **FIVE (5)** problem by using Just in Time (JIT) view of stock.
(10 marks)
- (b) Outline **FIVE (5)** method of using *kanbans* that uses most common distinct types of card, a *production kanban* and a *movement kanban*.
(10 marks)
- (c) Master schedule gives a flowchart for activities. Use the flowchart to show the step that may involve the tactical planning.
(5 marks)
- Q8** (a) Just-in-time (JIT) is an inventory management method in which goods are received from suppliers only as they are needed. The main objective of this method is to reduce inventory holding costs and increase inventory turnover. Describe **SIX (6)** specific problems of Just in Time (JIT).
(12 marks)
- (b) Porter looked at the reasons why nations are prosperous and said that “a nation’s ability to upgrade its existing advantages to the next level of technology and productivity is the key to its international success”. Explain **FOUR (4)** important factors or keys to its international success.
(8 marks)
- Q9** (a) Some products are more suited to the international trade than others, but there are factors that encourage local business, rather than international. Discuss **SIX (6)** reasons for local business that are more selected by customers.
(12 marks)
- (b) Discuss **FOUR (4)** reasons that some countries are not in favor in removing barrier at international borders.
(8 marks)

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- Q10** (a) Global operation provides its goods or services to customers in all areas of the world. Outline **FIVE (5)** possible reasons for most of organizations considered difficult to implement the strategies needed to achieve global operations.
(10 marks)
- (b) Explain **FIVE (5)** common models for global logistic appropriately.
(10 marks)
- (c) The main factors to choose transportation mode are the nature of materials to move, the volume and distance. Draw a fish bone diagram to show the **FIVE (5)** other factors for mode of transport.
(5 marks)

- END OF QUESTIONS -