



INDIAN INSTITUTE OF MATERIALS MANAGEMENT
Post Graduate Diploma in Logistics Management

Dec 2015

PAPER- 5 (New)
LOGISTICAL SYSTEMS OPERATION

Date: 12.12.2015
Time: 2.00 p.m. to 5.00 p.m.

Max Marks: 100
Duration: 3 Hours

Instructions:

- 1) Part A- Answer all questions
- 2) Part B-Answer any three questions
- 3) Part C -Compulsory

Total Marks=32
Total Marks=48
Total Marks=20

PART – A

(32x 1 = 32 marks)

Q.1 State whether True or False

Marks (8)

- a) A subway sandwich store offers a narrow but deep assortment of products
- b) Procurement is not considered a primary activity in value chain developed by Michael Porter.
- c) Variance is the unexpected event that disrupts performance of the system.
- d) The most important logistical cost is not transportation.
- e) Packing refers to a container in which the product reaches the end use customer
- f) Warehousing is not the major component of physical distribution.
- g) The handling of products is a key to warehouse productivity.
- h) The warehouse performs two types of storage –planned and extended.

Q.2. Fill in the blanks.

Marks (8)

- a) Shipment consolidation leads tobenefits of warehousing.
- b) Decoupling provides maximum efficiency.
- c) Warehousing is viewed as a facility as contrasted to a storage facility.
- d) For a retailer management is a matter of buying and selling.
- e) A warehouse is typically viewed as a place to inventory.
- f) Transactional cost is incurred in connection with the control & coordination ofsupply chain
- g) Ford supply chain is characterised by relationship with the suppliers.
- h) Rapid response is concerned with a firm'sto satisfy customer service requirements in a timely manner.

Q.3 Match the Following.

A	B
i) Safety Stock function	a) is a matter of buying and selling.
ii) Time horizon for logistics operational forecast	b) review inventory status daily to determine replenishment needs
iii) Inventory Management for a retailer	c) possible for perishable goods.
iv) Full utilisation of the warehouse through the year	d) concerns short range variations in either demand or replenishment.
v) Quantitative techniques for forecasting	e) used during emergencies.
vi) Temporary Store huts	f) cover time series analysis.
vii) Perpetual inventory control processes	g) is normally one year or less.
viii) Hazardous Materials.	h) harmful to the environment

Q.4. Give full-form of the following:

i) COFC	iii) WAN	v)AFTA	vii) ROP
ii) POS	Iv) LIS	vi) OMS	viii) CPFR

PART – B

Answer any 3 Questions.

Marks (48)

Q.5 What is logistics and it's importance? How does logistics co-relate with Supply Chain Management? Also explain the concept of integrated logistics management.

Q.6 Explain the concept of warehousing. Explain warehouse functionality in detail. Explain the range of factors that go into finalising the location of warehouse.

Q.7 What are the objectives of the inventory management? Explain. What are the advantages disadvantages of Inventory Management.

Q.8. Explain the concept of packaging. What are packaging functions? Also explain the types of Packaging.

Q.9. Write short notes (Any two)

- a) Vendor managed inventory.
- b) Types of forecast
- c) Advantages of DRP
- d) Break Bulk
- e) Use of robotics in SCM
- f) Transaction costs

PART- C

Q.10. CASE STUDY

Marks (20)

KLM University is a large private university teaching a slew of courses and boasting of a distinguished faculty. The University believed in Quality Education at any cost. Recently Mrs Mamta took over as Head of Materials Management Department and was informed that she would be responsible for the entire procurement and supplies required in the university, including its storing, inspection etc.

On the first day, she began a tour of the campus. She found a sweeper putting used x-rays, printed stationery, bits of metal and cardboard boxes, banana peels into a huge dustbin. She was perplexed and wanted to find out what happens to the garbage thereafter. She was informed that such garbage bags were kept in one place and then taken away by the Municipality trucks periodically.

It did not take Mrs Mamta to realise that there was no salvage program in the university. But she also realised that being new, it would be tricky for her to introduce new practices, given that the faculty were highly egoistic, though learned. She also had to show clear financial benefits to be accrued from a program of garbage recycling /salvage for approval of any new process by the management.

Analyse and answer the following:

- a) What arguments are there in favour of a formal salvage program at KLM University?
- b) What arguments would be expected against the program?
- c) What organisational structure should Mrs Mamta put in place or rewrite the duty list of employees?
- d) Develop a salvage program for KLM University.
