

# School of Business

Department of Business

Mid Term Examination

Exam Date: 30 Sep 2023

Time : 90 Minutes

Marks : 50

## Sem V - D1UA514T - Risk Management in Supply Chain

*Your answer should be specific to the question asked*

*Draw neat labeled diagrams wherever necessary*

- 1) Interpret Probability of occurrence of risk K2 (2)
  - 2) Describe the 5-Why method for risk identification. K1 (3)
  - 3) Describe any four types of enterprise risk K2 (4)
  - 4) Describe three important causes of risks with example K2 (6)
  - 5) Illustrate impact of three distribution risk on the supply chain performance. K3 (6)
  - 6) Ujjawal paint manufacturing firm currently faces sourcing risks of poor quality of raw materials, delayed supply, Shortage of supply, price fluctuation, and lead time variation. Calculate risk level to set priority of sourcing risks using risk assessment matrix. K3 (9)
- | Distribution Risk     | Probability of occurrence (P) | Severity of impact (I) |
|-----------------------|-------------------------------|------------------------|
| Price fluctuation     | 0.3                           | 0.3                    |
| Defective product     | 0.2                           | 0.5                    |
| Shortage of inventory | 0.4                           | 0.2                    |
| Delivery delay        | 0.1                           | 0.4                    |
| Delayed payments      | 0.2                           | 0.5                    |
- 7) Analyse six important return risks and its impact on the customer satisfaction. K4 (8)
  - 8) Helix footwell company is an MNC which is sourcing, manufacturing and distributing across different countries. Following risk is being faced by the company: Older design, shorter product life, higher raw material cost, Increasing labour cost and fluctuating demands as given in table. Calculate risk level to set priority of risks using risk assessment matrix. K4 (12)

Sourcing Risk	Probability of occurrence (P)	Severity of impact (I)
Poor quality of raw materials	5	3
Delayed supply	3	4
Short supply	2	3
Price fluctuation	1	2
Lead time variation	4	5

**OR**

- Examine five sourcing risk and return risk in a manufacturing enterprise and their impact on supply chain. K4 (12)