

**i** Exam in TEK 610 – Supply Chain Strategy  
Examination: ReExam August 22

Information:

Allowed support:

A standard Calculator (no programmable calculators are allowed)

Lexicon to/from "Your own language" - English (BUT no marks, comments etc are allowed in the lexicon)

For questions: Call Ola Hultkrantz on ext: 1333 or cell 0703-088089

On some of the multiple-choice questions, more than one box can be right, anything from one box to all boxes can be right. On these questions a correct answer will be awarded with 3 points, for every box that is marked wrong, either a correct statement that is not marked or an incorrect statement that is marked, one (1) minus points are given. However, as a total, a single question can give zero (0) points at a minimum, i.e. a single question can't give minus points

Instructions for the exam and your answers:

- To get full points on an essay question, your answer should be comprehensive, well elaborated and ideally illustrated/exemplified, and fairly well written.

Tips for answering:

- Read and analyze – briefly – all questions before you start answering
- Plan the whole time according to your brief analysis of the exam
- Don't forget to plan for some extra time at the end
- If you "get stuck" on one question – go to the next one, it's possible to go back

The exam will have a maximum of 50 points. In order to pass, a student must achieve  $\geq 50\%$ , i.e  $\geq 25$  points.

The EXAM will be graded according to

25 ≤	Grade 3	<33
33 ≤	Grade 4	<40
40 ≤	Grade 5	

Good luck!!!

Settings selected for this exam

Anonymous exam: Student details are not visible to teachers during grading.

Spell check allowed: All students are allowed to use spell check.

Random alternatives order: The order of alternatives in single and multiple choice questions are randomized.

**1** Strategy as Position can be compatible with which of the preceding ones

**Select one or more alternatives:**

- Strategy as Plan ✓
- Strategy as Pattern ✓
- Strategy as Perspective ✓
- Strategy as Ploy ✓

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Totalpoäng: 3

- 2 Results from a study, that we discussed in the course, showed regarding selecting relevant dimensions for operative, tactical and strategic Supply Chain Performance Measurement (SCPM) and degree of the supply chain focus of SCPM the following interesting results:

**Select one or more alternatives:**

- The frequently used measures were rather long-term oriented and financial and the linkage between the overall strategy and the supply chain strategy was quite strong
- SCPM was mainly used as an internal approach as there are barriers for external measurement as well as the internal measurement process was not considered to be adequate enough for being used externally ✓
- The choice on the SCPI was rather unstructured and not top-down and the degree of variation on the usage of SCPIs was very high ✓
- Suppliers and customers report on certain measures in an informal way as well as the companies inform their counterparts also rarely ✓

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Totalpoäng: 3

- 3 The Supply Chain Operation Reference Model (SCOR) has 5 major processes. Which of these are included in the 5 major processes:

Replace with question text.

**Select one or more alternatives:**

- Return ✓
- Source ✓
- Sales
- Plan ✓
- Make ✓

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Totalpoäng: 3

- 4 Porter describes Five Competitive Forces. These forces can be reshaped in your favor by using tactics designed specifically to reduce the share of profits leaking to other players. Which of the following are examples of this?

**Select one or more alternatives:**

- To temper price wars initiated by established rivals, invest more heavily in products that differ significantly from competitors' offerings ✓
- To limit the threat of substitutes, offer better value through wider product accessibility ✓
- To neutralize supplier power, standardize specifications for parts so your company can switch more easily among vendors ✓
- To scare off new entrants, elevate the fixed costs of competing; for instance, by escalating your R&D expenditures. ✓
- To counter customer power, expand your services so it's harder for customers to leave you for a rival ✓

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Totalpoäng: 3

- 5 The Supply Chain Operation Reference Model (SCOR) does include information on best practice

**Select one alternative:**

- False
- True

✓

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Totalpoäng: 1

- 6 In the course we have talked about the Triple A supply Chain. In relation to building the Triple A supply Chain, please explain, in connection to each A both Objectives (3x1p) as well as Method (3x2p) and give one example, from the real world, of each A (3x1p)

**Fill in your answer here**

Teckenf... | **B** | *I* | U |  $x_2$  |  $x^2$  |  $I_x$  | | | | | | |  $\Omega$  | | |  $\Sigma$  |

Ord: 0

Totalpoäng: 12

- 7 Porter states in one of his articles "Japanese Companies Rarely Have Strategies". What does he mean with this? How can they have been successful without a strategy? And what is the risk for them further on?

**Fill in your answer here**

Teckenf... | **B** | *I* | U |  $x_2$  |  $x^2$  |  $I_x$  | | | | | | |  $\Omega$  | | |  $\Sigma$  | |

Ord: 0

Totalpoäng: 6

- 8 In the course we discussed three different supply network strategies. Describe each of these supply network strategies so that it becomes clear how they differ from each other.

Skriv in ditt svar här

Teckenf... | **B** | *I* | U |  $x_2$  |  $x^2$  |  $I_x$  | | | | | | | | | | | |

Ord: 0

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Totalpoäng: 9

## Case – Pret A Manger

When college friends Sinclair and Julian opened their first store in London in 1986, they wanted to *'make proper sandwiches avoiding the obscure chemicals, additives and preservatives common to so much of the "prepared" and "fast" food on the market'*. They created the sort of food they themselves craved but couldn't find anywhere else. Now there are over 300 Pret shops worldwide, most of them in the UK. The company is particularly proud of its customer service. *'We'd like to think we react to our customers' feelings (the good, the bad, the ugly) with haste and absolute sincerity: they say. 'Pret customers have the right to be heard. Do call or email. Our UK Managing Director is available if you would like to discuss Pret with him. Alternatively, our CEO hasn't got much to do; hassle him!'*

It's a bold approach to customer service, but Pret has always been innovative. Described by the press as having *'revolutionised the concept of sandwich making and eating'*, Pret A Manger opened its first shop in London and now has over 260 shops in the UK, New York, Hong Kong and Tokyo. The founders say that their secret is to focus continually on the quality of the food and the service. They avoid the chemicals and preservatives common in most *'fast' food. 'Many food retailers focus on extending the shelf life of their food, but that's of no interest to us. We sell food that can't be beaten for freshness. At the end of the day, we give whatever we haven't sold to charity to help feed those who would otherwise go hungry. Pret A Manger shops have their own kitchen where fresh ingredients are delivered every morning, with food prepared throughout the day. The team members serving on the tills at lunchtime will have been making sandwiches in the kitchen that morning. We are determined never to forget that our hardworking people make all the difference. They are our heart and soul. When they care, our business is sound. If they cease to care, our business goes down the drain. In a retail sector where high staff turnover is normal, we're pleased to say our people are much more likely to stay around! We work hard at building great teams. We take our reward schemes and career opportunities very seriously. We don't work nights (generally), we wear jeans, we party!'*

Customer feedback is regarded as being particularly important at Pret. Examining customers' comments for improvement ideas is a key part of weekly management meetings, and of the daily team briefs in each shop. Moreover, staff at Pret are rewarded in cash for being nice to customers; they collect bonuses for delivering outstanding customer service. Every week, a secret shopper who scores the shop on such performance measures as speed of service, product availability and cleanliness visit each Pret outlet. In addition, the mystery shopper rates the *'engagement level'* of the staff; questions include, *'Did servers connect with eye contact, a smile and some polite remarks?'* Assessors score out of 50. If the score gets 43 points or more every team member receives an extra payment for every hour worked; and if an individual is mentioned by the mystery shopper for providing outstanding service they get an additional payment. *'The emphasis on jollity and friendliness has been a winner'*, said James Murphy - a management consultant for Future Foundation. *'In the highly competitive sandwich market, that's been a big contributor to their success.'* But not everyone agrees with using mystery shoppers. *'It is the equivalent of asking one customer in a shop what they thought at that exact moment, and then planning an entire store improvement process around one piece of feedback'*, says Jeremy Michael of the Service Management Group, another consultancy.

- 9 Describe Pret A Manger from a Operational strategy perspective.

Fill in your answer here

Teckenf... | **B** *I* U  $x_2$   $x^2$  |  $I_x$  | | | |  $\Omega$  |  $\Sigma$  | ABC |

Ord: 0

Totalpoäng: 10

## Resource development

<b>Quality</b> (Product conformance and specification and service quality)	<ul style="list-style-type: none"> <li>Small sites promote teamwork</li> <li>On-site kitchens for fresh food</li> </ul>	<ul style="list-style-type: none"> <li>Partnerships with suppliers to increase quality together with strict quality standards</li> </ul> <p style="text-align: right;">***</p>	<ul style="list-style-type: none"> <li>Standard processes (photos for workstation)</li> </ul>	<ul style="list-style-type: none"> <li>Customer service training</li> <li>Teamwork incentives and pay</li> </ul> <p style="text-align: right;">***</p>
<b>Speed</b> (Customer throughput time)	<ul style="list-style-type: none"> <li>Many small sites at convenient locations</li> <li>Number of service points</li> </ul> <p style="text-align: right;">***</p>	<ul style="list-style-type: none"> <li>On-site production means short internal supply chain</li> </ul> <p style="text-align: right;">***</p>	<ul style="list-style-type: none"> <li>Standardised process across all stores</li> </ul>	<ul style="list-style-type: none"> <li>Training for fast service</li> </ul>
<b>Dependability</b> (Consistency of product and service)	<ul style="list-style-type: none"> <li>Standardised store design</li> </ul> <p style="text-align: right;">***</p>	<ul style="list-style-type: none"> <li>Quality raw materials supplied/delivered on time</li> </ul>	<ul style="list-style-type: none"> <li>Standardises in-store technology</li> </ul>	<ul style="list-style-type: none"> <li>Pret 'values and behaviours'</li> </ul> <p style="text-align: right;">***</p>
<b>Flexibility</b> (New product availability and range of products)		<ul style="list-style-type: none"> <li>Partnership with suppliers to meet varied menu</li> <li>Supplier partnerships encourage innovation</li> </ul>		<ul style="list-style-type: none"> <li>Customer feedback used to inspire innovation</li> </ul> <p style="text-align: right;">***</p>
<b>Cost</b> (Cost of producing products and services)	<ul style="list-style-type: none"> <li>Centrally located in densely populated areas increases 'footfall' volume</li> </ul> <p style="text-align: right;">***</p>			<ul style="list-style-type: none"> <li>Low staff turnover</li> </ul>
	<b>Capacity</b>	<b>Supply networks</b>	<b>Process Technology</b>	<b>Development and organisation</b>

Market competitiveness

\*\*\* Critical