

Unit 10 - Week 8

Course outline

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Week 8

- Lecture 36 : Competitors as Stakeholders and Fair Competition
- Lecture 37 : What is NOT Fair Competition
- Lecture 38 : Competitors as Stakeholders; Global Competition
- Lecture 39 : Suppliers as Stakeholders : Ethics in Supply Chain
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Assignment Solution

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Assignment 8

The due date for submitting this assignment has passed.
As per our records you have not submitted this assignment.

Due on 2019-09-25, 23:59 IST.

- 1) Match the examples in **List- I** correctly with the categories of reasons for ethics in supply chain management given in **List-II** from the options given below 2 points

List-I		List-II	
a.	'Clothex', a supplier in country C of a global garment firm, F, pays its workers about 6% less than the minimum wage permissible in C.	i.	An environmental reason for ethics in Supply Chain Management (SCM).
b.	'Liquids', a Raw material supplier in country Z of a global manufacturing firm M has been found to secretly release untreated waste water into the nearest river, which is the main drinking water source of Z.	ii.	A product and consumer safety related reason for ethics in SCM.
c.	Infant skin rashes are reported after using baby lotion produced by company 'X'.	iii.	A product and consumer safety related reason for ethics in SCM.
d.	Company 'Y''s global product 'honeycakes' scored low in the safety compliance test in country M due to supply of poor quality ingredients by some suppliers.	iv.	Violation of human rights and labour rights related reason for ethics in SCM.

- (A) a-iv b-iii c-i, d-ii
 (B) a-i, b-ii, c-iii, d-iv
 (C) a-iv, b-i, c-iii, d-ii
 (D) a-ii b-iii, c-iv, d-i

No, the answer is incorrect.
Score: 0

Accepted Answers:
(C) a-iv, b-i, c-iii, d-ii

- 2) Consider the following claims, and identify the option(s) that is/are false: 2 points

- (A) Anti-trust laws are there to protect the rights of the suppliers and to promote monopolistic market competition.
 (B) The concept of 'Industrial Ecosystem' is based on the principle of resource and waste sharing among a network of business entities, who cooperate to decrease their collective environmental impact.
 (C) 'Fair' trade is based on the principle of equality, where powerful competitors and local traders are treated as equals.
 (D) Competition Commission of India (CCI) is the Indian regulatory body for prevention and regulation of anti-competitive agreements and anti-competitive monopoly among the businesses.

No, the answer is incorrect.
Score: 0

Accepted Answers:
(A) Anti-trust laws are there to protect the rights of the suppliers and to promote monopolistic market competition.
(C) 'Fair' trade is based on the principle of equality, where powerful competitors and local traders are treated as equals.

- 3) Which of the following statement is not a criticism of the concept of 'free' trade? 2 points

- (A) Benefits of free trade get concentrated in the hands of very few big firms.
 (B) Free trade provides dynamic business climate with significant reduction of government spending in regulations.
 (C) Free trade can have significant negative effect on the local economy and businesses.
 (D) Free trade encourages export-intensive countries to exploit natural resources more.

No, the answer is incorrect.
Score: 0

Accepted Answers:
(B) Free trade provides dynamic business climate with significant reduction of government spending in regulations.

- 4) **Assertion:1 (S):** Ethical management of the supply chain is necessary for a business to avoid legal and ethical risks, and to ensure consumer safety. **2 points**
Assertion:2 (R): In case of a global supply chain, different legal frameworks, different work culture, and different kinds of workforces in different countries significantly help in the ethical management of the global supply chain.

- (A) (S) is correct, but (R) is incorrect.
 (B) Both (S) and (R) are correct, and (R) is a reason for (S).
 (C) Both (S) and (R) are correct, but (R) is not a reason for (S).
 (D) (R) is correct, but (S) is incorrect.

No, the answer is incorrect.
Score: 0

Accepted Answers:
(A) (S) is correct, but (R) is incorrect.

- 5) Match the concepts in **List- I** correctly with the explanations given in **List-II** from the options given below 2 points

List-I		List-II	
a.	Ethical Sourcing	i.	It includes the number of units that a company should add to inventory with each order to minimize the total costs of inventory such as holding costs, order costs, and shortage costs.
b.	Partnership Model	ii.	This includes very short-term and formal relationship between firms and their suppliers, where there is no mutual trust.
c.	Economic Order Quantity Concept	iii.	This refers to procurement of raw materials or components with ethical, social and environmental concerns.
d.	Adversarial Model	iv.	This refers to treating suppliers as stakeholders, where the relationship is long-term, characterized by co-operation, trust, and mutual understanding.

- (A) a-iv b-iii c-i, d-ii
 (B) a-iii, b-iv, c-i, d-ii
 (C) a-iv, b-i, c-iii, d-ii
 (D) a-ii b-iii, c-iv, d-i

No, the answer is incorrect.
Score: 0

Accepted Answers:
(B) a-iii, b-iv, c-i, d-ii

- 6) Which among the following is a principle that fair competition in the market is based on? 2 points

- (A) Fair equality of opportunity
 (B) Equal purchase power of consumers
 (C) Equal share of profit among the competitors
 (D) Equal access to the market by all the competitors

No, the answer is incorrect.
Score: 0

Accepted Answers:
(A) Fair equality of opportunity
(D) Equal access to the market by all the competitors

- 7) Consider the following claims, and identify the option(s) that is/are true: 2 points

- (A) Direct competitors are considered as stakeholders but indirect competitors are not.
 (B) Fair trade pays a premium to the local trader for social development, but it leaves the local business exposed to the price fluctuations in the world market.
 (C) A company may develop its in-house or internal supplier's code of conduct as a way to govern ethical supply chain management.
 (D) Fair Trade certification guarantees that the product meets the sustainable development standards, but does not certify improved work and living conditions for the local growers

No, the answer is incorrect.
Score: 0

Accepted Answers:
(C) A company may develop its in-house or internal supplier's code of conduct as a way to govern ethical supply chain management.

- 8) Which of the following example is supporting fair competition in businesses? 2 points

- (A) A group of 14 oil-producing countries controls the price of oil for the rest of the world.
 (B) Only one fish seller in the market has the Hilsa fish, but he refuses to sell Hilsa to any customer who buys any fish from another seller.
 (C) Soap Company Z has paid a bribe to an employee of company Y, its direct competitor, to steal the secret formula Y's new product.
 (D) In the automobile manufacturing market, a new company P tries to attract more customers from its competitors by using new and distinctively different technology on their cars.

No, the answer is incorrect.
Score: 0

Accepted Answers:
(D) In the automobile manufacturing market, a new company P tries to attract more customers from its competitors by using new and distinctively different technology on their cars.

- 9) Which of the following is not considered as a risk in supply chain management? 2 points

- (A) A raw material supplier of a global construction company provides its workers extremely unhygienic accommodations.
 (B) Y supplies raw material to global company Z; however, Y is involved in all sorts of corruption.
 (C) Company 'M', a supplier of minerals to various international firms, does not provide safety gears to its workers who work in the mines. .
 (D) Company K supplies labourers to the global construction company G at a rate that is lower than the other suppliers

No, the answer is incorrect.
Score: 0

Accepted Answers:
(D) Company K supplies labourers to the global construction company G at a rate that is lower than the other suppliers

- 10) Match **List- I** correctly with **List-II** from the options given below 2 points

List-I		List-II	
a.	Cutthroat Competition	i.	It is the competition among firms whose products or services are not the same, but try to do business in the same segment of the market.
b.	Fair Competition	ii.	It refers to a situation where businesses use predatory pricing and heavy promotion to eliminate or undermine their competitors from the market.
c.	Direct Competition	iii.	It refers to a fair market in which all the businesses operate to a level playing field, where the same rules apply to each one. The competition between companies is based on factors like quality, price, and customer service.
d.	Indirect Competition	iv.	It is a situation in which two or more businesses offer products or services that are essentially the same or very similar.

- (A) a-iii b-ii c-i, d-iv
 (B) a-i, b-ii, c-iii, d-iv
 (C) a-ii b-iii, c-iv, d-i
 (D) a-iv, b-iii, c-i, d-ii

No, the answer is incorrect.
Score: 0

Accepted Answers:
(C) a-ii b-iii, c-iv, d-i