UPES
End Semester Examination, May 2025

Course: Business and SC Risk Management   Semester : Fourth
Program: MBA LSCM   Time : 03 hrs.
Course Code: LSCM 8034   Max. Marks: 100

Instructions:

SECTION A
10Qx2M=20Marks

S. No.	All questions are mandatory to attempt	Marks	CO
Q 1	………….refers to the possibility of an event or condition that could negatively impact the achievement of business objectives.	2	CO3
Q 2	Robert S. Kaplan and Anette Mikes in their work on risk management practices, is the process of identifying, assessing, and………..risks.	2	CO3
Q 3	Another widely recognized definition of risk management is provided by ISO 31000:………	2	CO3
Q 4	Strategic Risk Management focuses on………..risks that can impact the organization's overall goals and objectives.	2	CO3
Q 5	If KPIs stands for key performance indicators, then what does KRIs stand for?	2	CO3
Q 6	………….refers to situations where the likelihood of future events or outcomes is unknown.	2	CO3
Q 7	……….. are large-scale risks that affect businesses, economies, and supply chains across multiple countries or even worldwide.	2	CO3
Q 8	The global…………..shortage affected the production of automobiles and electronics during the recent COVID pandemic.	2	CO3
Q 9	What does NAFTA stand for?	2	CO3
Q 10	…………… are smaller, localized risks that affect specific parts of a supply chain, a company, or a region.	2	CO3

SECTION B
4Qx5M= 20 Marks

Q 1	Explain the term "*risk*" in context to global supply chain with industry example.	5	CO4
Q 2	Explain the importance of ISO 31000:2009 for supply chain risk management.	5	CO4
Q 3	Explain the concept of "*uncertainty*" with the help of industry example.	5	CO4
Q 4	What is ISO? Explain any two popular ISO standards with their industry implications.	5	CO4

	SECTION-C **3Qx10M=30 Marks**		
Q 1	Explain in detail the concept of "*risk reliance*" with real-world examples.	**10**	**CO5**
Q 2	What are the development strategies for risk appetite? Which industry organizations have successfully developed risk appetite strategies?	**10**	**CO5**
Q 3	What is *risk resilience*? What are the major benefits of developing risk resilience? Explain with the help of an industry example.	**10**	**CO5**
	SECTION-D **2Qx15M= 30 Marks**		
Q 1	In early 2024, Tesla launched an ambitious expansion into Southeast Asia, with its Gigafactory in Indonesia aimed at producing next-generation EV batteries using locally sourced nickel. The supply chain was lauded for its vertical integration and sustainability orientation. However, six months into production, Tesla experienced an unprecedented production halt. Initial investigations pointed to a delay in critical anode material deliveries. Surprisingly, the source of disruption was not a direct supplier or even a Tier-2 vendor, but a Tier-3 supplier located in the Philippines who produced a specific graphite coating chemical. The facility had been shut down due to a rare earth element contamination discovered by environmental regulators. Tesla's supply chain risk maps had not identified this supplier as critical, nor was there a mitigation plan for this node. Traditional risk heatmaps and standard multi-tier supplier risk assessments had failed to capture this deep-layer exposure. The ripple effect led to a 17% drop in quarterly deliveries and a \$1.2 billion market cap loss. Post-crisis analysis revealed several underlying causes: Overreliance on vertical visibility, neglecting horizontal system fragility, lack of recursive risk modeling across supply nodes, an assumption that low-cost, low-volume items equated to low risk, Absence of "black swan" simulation in supply chain digital twin scenarios. Tesla's Board, in collaboration with MIT's Center for Transportation & Logistics, has now initiated the development of a Resilience Scorecard that incorporates entropy-based systemic risk, interdependency exposure, and real-time disruption sensing using AI-fed supplier ecosystem graphs. You have been appointed as the Chief Supply Chain Risk Architect for Tesla's Southeast Asia operations. Using advanced concepts from supply chain risk management, design a proactive risk identification and mitigation framework.	**15**	**CO5**
Q 2	Explain in detail the concept of ERM with the help of an industry example. What is the detailed process of ERM?	**15**	**CO5**