



Course Name: STRATEGIC SUPPLY CHAIN MANAGEMENT SSC811S

Course Code: SSC811S

Department: Marketing and Logistics

Course Duration: SEMESTER 1 MODULE

NQF Level and Credit: Level 8 and 15 Credits

Moodle Enrollment Key: None

Marker-tutor Details

Your marker-tutors for STRATEGIC SUPPLY CHAIN MANAGEMENT

The Namibia University of Science and Technology has appointed the following tutors as marker-tutors for STRATEGIC SUPPLY CHAIN MANAGEMENT.

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Dear student

FEEDBACK TUTORIAL FOR ASSIGNMENT

This feedback tutorial letter contains reading skills, suggested way of answering questions, responses to problems identified during the tutor-marking, clarification of misinterpreted/not clearly understood concepts or questions relating to assignment 2 and other aspects that reinforces learning for future use.

The essence of assignment 2

The questions in this assignment are based on learning outcomes formulated for this course. Mainly, the essence of Assignment 2 is based on two Learning outcomes:

1. Outlining key components of positioning and maintaining a supply chain strategic fit
2. Applying the underlying importance of creating and maintaining a supply chain strategic fit and its challenges in relation to a practical case study.

In your answers I looked for evidence inter alia, critical reading and thinking, application of understanding, reflexive responses, coherence and correctness, grammar, and spelling.

Understanding the question: task/process words

It is important to analyse the task/process words before you begin to answer any question. The 'process words' or instruction words identify what you are supposed to do.

Reading strategies

Before embarking on this assignment, you were expected to engage and to interact with the prescribed materials (including the class notes) in order to get guidance in answering assignment questions. You were also expected to do market research that would allow you to gain insight ZARA's supply chain to bare reference in answering the assignment questions.



Assessment Task

Zara changes its clothing designs every two weeks on average, while competitors change their designs every two or three months. It carries about 11,000 distinct items per year in thousands of stores worldwide compared to competitors that carry 2,000 to 4,000 items per year in their stores. Zara's highly responsive supply chain is central to its business success. The heart of the Zara supply chain is a huge, highly automated distribution center (DC) called "The Cube".

Find case studies about Zara's supply chain [zarasupplychain.pdf](#) (There are many other websites you can find it) and explain...

- 1. Strategic fit in relation to ZARA**
- 2. Challenges to achieving and maintaining strategic fit in relation to Zara.**

This task seemed challenging for almost all students. In order to tackle the task properly, students were required to demonstrate in depth understanding of supply chain strategic fit and ZARA's supply chain. The most important expectation was for students to demonstrate their understanding of supply chain strategic fit and its challenges in relation to ZARA. This would form basis for an answer to this question.

Below are guidelines on how the marker/tutor expected the students to answer.

Introduction

NB: Every assignment², at this academic level, ought to begin with an introduction, unless otherwise specified.

To put the assignment into perspective, it would be ideal to start by defining a SC strategic fit. Supply chain strategic fit refers to the alignment between a company's supply chain strategy and its overall business strategy. It involves designing and managing the supply chain in a way that supports and enhances the organization's competitive advantage and meets the needs of its customers. ZARA, the popular Spanish fashion retailer, is known for its fast fashion business model and its ability to quickly bring new trends to market. ZARA's supply chain strategy plays a crucial role in enabling its success.



Zara's fashion supply chain is a key factor in its success as a fast-fashion retailer. The company has developed a unique and efficient supply chain model that enables it to quickly respond to changing fashion trends and deliver new products to its stores in a short period of time. Strategic fit refers to the alignment between an organization's strategy and its internal capabilities as well as external opportunities and constraints. It is the degree to which an organization's resources, capabilities, and competitive advantages are aligned with its strategic objectives and the external environment in which it operates. Achieving strategic fit is crucial for organizations to effectively implement their strategies and achieve their desired outcomes. Customer focus, cost efficiency, responsiveness and flexibility are some of the factors to consider when attempting to achieve a strategic fit.

Students were expected to base their discussion on, but not limited to the below.

Vertical integration: ZARA follows a vertically integrated supply chain model. It owns a significant portion of its production facilities, including factories and distribution centers. This allows ZARA to have greater control over its supply chain activities, reducing dependence on external suppliers and enabling faster response times.

Agile and responsive operations: ZARA's supply chain is designed to be highly agile and responsive to customer demands. The company focuses on shortening lead times, from design to production to delivery, to minimize the time it takes for a new fashion trend to reach the stores. ZARA achieves this by producing smaller quantities and replenishing them frequently, rather than relying on large seasonal orders.

Fast and flexible production: ZARA's production process is characterized by its speed and flexibility. The company utilizes a combination of in-house manufacturing and outsourcing to maintain production efficiency. It keeps a significant portion of its production in-house to have better control over quality and lead times, while also outsourcing some production to external suppliers to meet peak demand or benefit from specialized capabilities.

Demand-driven operations: ZARA's supply chain is demand-driven rather than forecast-driven. The company relies on real-time sales data and customer feedback collected from its stores to determine what products to produce and in what quantities. This customer-centric approach allows ZARA to align its supply with actual demand, reducing the risk of overstocking or missing out on popular items.



Efficient logistics and distribution: ZARA operates a highly efficient logistics and distribution network. It leverages its strategically located distribution centers to enable rapid replenishment of products to stores worldwide. ZARA's proximity to key markets helps minimize transportation time and costs, ensuring a quick turnaround from production to delivery.

Information technology and data analytics: ZARA invests heavily in information technology and data analytics to support its supply chain operations. The company uses sophisticated systems to capture real-time sales data, track inventory levels, and facilitate communication between different stages of the supply chain. This enables ZARA to make data-driven decisions, identify trends, and quickly respond to market changes.

ZARA's challenges towards maintaining a strategic fit.

Although ZARA's supply chain strategy focuses on speed, agility, and customer-centricity while combining vertical integration, agile operations, demand-driven practices, and efficient logistics, it has encountered a number of challenges. Below are some of them, explained:

Fast fashion sustainability: ZARA's fast fashion model, characterized by frequent product turnover and short production lead times, raises concerns about its environmental impact. The increased production and consumption of clothing contribute to waste generation and carbon emissions. ZARA needs to address these sustainability challenges by adopting more sustainable sourcing practices, promoting recycling and circular economy initiatives, and reducing its overall environmental footprint.

Demand volatility: The fashion industry is known for its unpredictable and volatile demand patterns, driven by rapidly changing trends and consumer preferences.

ZARA's ability to quickly respond to shifting customer demands is a strength, but it also poses challenges in terms of accurate demand forecasting and inventory management. ZARA needs to continuously improve its demand planning capabilities to minimize stockouts, excess inventory, and markdowns.

Global supply chain coordination: ZARA operates on a global scale, with a vast network of suppliers, manufacturers, and distribution centers worldwide. Coordinating and managing such a complex supply chain can be challenging, especially when it comes to maintaining consistent product quality, ensuring ethical sourcing practices, and managing lead times across different regions. ZARA needs to enhance its supplier collaboration and communication to address these coordination challenges effectively.



Ethical and social responsibility: The fashion industry has faced scrutiny for labor practices and social responsibility issues, including poor working conditions and low wages in the supply chain. ZARA has made efforts to improve its ethical practices, but it still needs to ensure that all suppliers adhere to rigorous social compliance standards. Strengthening supplier auditing, promoting fair labor practices, and ensuring transparency throughout the supply chain are ongoing challenges for ZARA.

Technology and digitalization: As technology continues to advance, ZARA needs to adapt and leverage emerging digital tools and capabilities to enhance its supply chain operations. This includes leveraging advanced analytics, automation, and artificial intelligence to improve demand forecasting, optimize inventory management, and enhance operational efficiency. Integrating and upgrading information systems across the supply chain can also be a complex and challenging task.

Geopolitical and trade uncertainties: ZARA's global operations expose it to geopolitical risks, trade disputes, and changes in regulations and tariffs. Uncertainties in global trade agreements and political climates can disrupt supply chains, impact sourcing costs, and affect the smooth flow of goods. ZARA needs to closely monitor and proactively manage these risks to ensure continuity and minimize the potential negative impact on its supply chain operations.

5. Recommendation and conclusion

Students were expected to conclude the assignment by suggesting recommendations based on the findings on the assignment. The recommendations were to be based on ZARA's supply chain.

When making recommendations in an assignment, it is important to keep in mind the purpose of the assignment and the audience you are writing for. Here are some tips to help you make effective recommendations in your assignment:

1. **Clearly state your recommendations:** Be specific about what actions you are recommending and how they can be implemented. Avoid vague or general recommendations that do not provide clear guidance.



2. Justify your recommendations: Provide evidence and reasoning to support your recommendations. This could include data, research, or expert opinions that back up your recommendations.
3. Consider alternative solutions: Discuss alternative solutions and explain why your recommended approach is the best option. This will help to show that you have considered all options and have chosen the most appropriate one.
4. Tailor your recommendations to your audience: Consider the needs and interests of your audience when making recommendations. Use language and terminology that is appropriate for the intended readership.

In terms of concision, it is important to be clear and concise in your writing to ensure that your message is understood. Here are some tips for writing concisely:

1. Avoid unnecessary words: Eliminate words that do not add meaning to your sentences. Use simple, direct language to communicate your ideas.
2. Use active voice: Use active voice to make your writing more concise and to-the-point. This will help to avoid wordy and passive sentences.
3. Break up long sentences: Long sentences can be difficult to follow and can make your writing seem verbose. Break up long sentences into shorter, more manageable sentences.
4. Edit and revise: After completing your writing, take the time to review and revise your work. Look for opportunities to remove unnecessary words and sentences, and make sure that your message is clear and concise.



Here is an example:

...by addressing these challenges, ZARA can further strengthen its supply chain and sustainability practices, improve demand forecasting and inventory management, enhance supplier relationships, and leverage technology to drive operational efficiency and maintain its market leadership in the fast fashion industry. Below are some of the recommendations that the ZARA supply chain can consider in pursuit of efficiency... (list the recommendations)

GENERAL OBSERVATIONS/COMMON MISTAKES

As I was marking your scripts, I identified the following weaknesses from some of the students. I have however addressed some of these in your individual scripts:

- Some scripts did not have a cover page and (or) a table of content. At this academic level, it is unacceptable. It's an assignment, not a homework.
- Answers in some scripts were not numbered correctly, consistently or at all. It is very crucial to number your work for order of chain of discussion and mere cleanliness.
- Lack of understanding of the questions. You should always make sure that you analyse the key words/task words of the question and your answer should give the required response. It was very evident that some students either didn't read to understand the question, or they did not understand Strategic supply chain.
- Most students failed to apply their discussion to the chosen company thus lost marks. This was the core objective of the assignment. Students were expected to demonstrate the ability to apply their knowledge given an environment of choice. Failing to do this only completes the task halfway.
- Incorrect spelling of words. You should ensure correct spelling of words. If you type your work this can generally be avoided as the computer will spot this. It should not be happening at this academic level.



- Always consider marks allocation and page restrictions and that should be a factor to help you determine how long your response to each question should be. Some students ignored that instruction and thus penalized.
- Incorrect use of terminology. Use of correct terminology cannot be overemphasized.
- Some students did not attempt all the questions. Some questions were left blank. This behavior is discouraged. Students are encouraged to attempt to answer all questions where this is the instruction.
- Students should phone us on numbers provided in tutorial letters or make arrangements for face to face consultation if this possible to discuss challenges faced when answering questions (especially if a question or questions are not clear to them. WE ARE HERE TO HELP.
- There were instances of verbatim copying from the class notes/slides. You should always paraphrase and put explanations in your own words. Only then we can be sure you understand the work. No Marks were awarded for students who copied verbatim. I keep emphasizing.
- The issue Plagiarism cannot be overemphasized. Copying and pasting is not acceptable in any academic institution. Students are encouraged to paraphrase when using the works of other authors. Students are similarly encouraged to properly intext cite and have a reference list of at least 15 references. This should be using the APA style as per the university rules. There should be a match between your reference list and the intext citations. Your similarity index should always be below 20%, anything above that is punishable in line with the university regulations.
- Lastly, Most student were detected to have used Artificial Intelligent software to complete their assignments. This practice is not only punishable but, it is also detrimental to your ability to learning and understand the module. Note that just as plagiarism is detected by Turnitin, so is the use of AI.

I trust this feedback letter gave you an idea of what was expected from you by the marker and will further guide you in your future assessment activities. Should you require any further information regarding this assignment, kindly contact me on the details provided to you. I wish you all the best in your exams and future endeavours.

Tangi Nepolo



END OF FEEDBACK TUTORIAL LETTER