

UGANDA MARTYRS UNIVERSITY

FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT

END OF SEMESTER FINAL ASSESSMENT

SEMESTER II, 2022/2023

SECOND YEAR EXAMINATION FOR BACHELOR OF BUSINESS
ADMINISTRATION AND MANAGEMENT

2107 PRODUCTION AND OPERATIONS MANAGEMENT

DATE: 25TH JULY 2022

TIME: 9:30 PM-12:30PM

DURATION: 3HRS



Instructions:

1. Carefully read through ALL the questions before attempting
2. Attempt Four questions
3. All Questions carry equal marks
4. No **names** should be written anywhere on the examination book.
5. Ensure that your **Reg number** is indicated on all pages of the examination answer booklet.
6. Ensure your work is **clear** and **readable**. Untidy work shall be penalized
7. Any type of examination Malpractice will lead to automatic disqualification
8. Do not write anything on the questions paper.

Question One

- An operations manager is only effective if and only if he oversees and manages the production process. With an illustration explain the input-transformation-output process of a manufacturing and services establishment clearly demonstrating the major decisions an operations manager has to make for optimal results(12marks)
- Discuss four competitive priorities of a firm and show how operations department may addresses these priorities(4marks)
- In one of the high level management meetings at Kampala Cement Ltd, the General Manager questioned the need for a Production and Operations Management Department since the organization can exploit the benefits associated with advanced Information Technology. As ahead of Operations Department in attendance respond demonstrating why your department is necessary.(9marks)

Question Two

- Define productivity and illustrate two ways an operations manager improves productivity (5marks)
- Century Bottling co Ltd is considering an expansion program. The two options under consideration include locating a new plant in Mbarara, rapidly growing city in western Uganda or to locate in Masaka City which is between Mbarara and Kampala, Kampala being the Capital City where drinks can cheaply be transported to the city. The following quantitative information is also available to the Operations Manager for his decision

	MBARARA CITY	MASAKA CITY
Annual Fixed Costs	40million	90million
Variable costs per batch produced	6million	4.5million
Revenue expected per batch sold	7million	7.5million

Required

- Using the break-even analysis, determine both algebraically and graphically, at what level of production should Century Bottling co Ltd operate to break even for both locations.(15marks)
- The level of profits if Century bottling co Ltd produced 300 batches and all sold in its second year of operation for both locations(5marks)

Question Three

- With an illustration discuss the relationship between the production system choice and the product life cycle for any product of your choice(15marks)
- Explain the important considerations when designing a productive system for services and justify whether the system designed should be more of process-focused or product-focused.(10marks)

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Question Four

- You have been approached by the Managing Director KZ Manufacturers Ltd to enable the company develop a new product to increase on their product mix. Explain the various stages the company like KZ Manufacturer goes through in the process of developing a new product(10marks)
- With examples clearly distinguish a core product from actual product.(5marks)
- Explain any five aspects that would render your products as "quality products" by the different customers(10marks)

Question Five

- State three reasons which may motivate firms to hold inventories. (3marks)
- Briefly describe the A-B-C approach to inventory classification and control(6marks)
- Give four critical components of carrying costs(4marks)
- Explain the concept of JIT (JUST IN TIME) technique in inventory control and management. State any four advantages of JIT technique(12marks)

Question Six

- Write short notes on the following
 - Under capacity and overcapacity (5marks)
 - Job enlargement and job enrichment(5marks)
 - Approaches to workers' remuneration(5marks)
 - Reactive and proactive maintenance programmes. (5marks)
 - Total Quality Management in operations management.(5marks)

END

1. Idea generation & development
2. Screening & testing
3. Implementation
4. Actual product
5. Post production

Core product
Actual product

2. In the process of
3. Customer expectations - satisfaction
4. product attributes
- quality
- reliability
- durability
- safety

TQM
- Benchmarking