



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14/16, AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
MARCH 2014 EXAMINATION**

**COURSE CODE: BUS 801**

**CREDIT**

**UNITS: 2**

**COURSE TITLE: PRODUCTION AND OPERATIONS MANAGEMENT**

**TIME ALLOWED: 2 HOURS.**

**Instructions:**

- 1. Attempt Question 1 and any other two (2) Questions.**
- 2. Question 1 is compulsory and carries 30 marks while the other 2 Questions carry 20 marks each.**
- 3. Show all your calculations for appropriate marks.**

**Questions**

**1a.** Define the term production/operations management (POM)

**1b.** Describe the two basic approaches to job design

**1c.** Discuss the stages of the research and development (R & D), and how firms use R & D to create and apply new technology.

**Questions**

**2a.** Define Operations Strategy

**2b.** Discuss three corporate strategy set by management via strategic alternatives.

**2c.** What determines the choice of the competitive priorities that a company should emphasize?

**Questions**

**3a.** Discuss five basic steps in the acquisition process

**3b.** Suppose a restaurant uses an average of 50 jars of a special sauce each week. Weekly usage of

sauce has a standard deviation of 3 jars. The manager is willing to accept no more than a 10

percent risk of a stock-out during lead time, which is two weeks. Assume the distribution of usage

is normal.

(a) Which of the above formulas is appropriate for this situation? Why?

(b) Determine the value of Z

(c) Determine the ROP

**Questions**

**4a.** Discuss five basic options available for altering the capacity (or supply) or production.

**4b.** Compare and contrast two main classes of forecasting methods.

**Question**

**5.** Discuss how process choice implements flow strategy and how the five choices differ.