



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**  
**SCHOOL OF SCIENCE AND TECHNOLOGY**  
**OCTOBER 2013 EXAMINATION**

**Course Code:** ENT 420

**Credit Unit:** 2

**Course Title:** Production Management II

**Time Allowed:** 2 Hours

**Instructions:** 1. Attempt question number one (1) and any other two (2) questions.

2. Question number 1 carries 30 marks while the other 2 carry 20 marks each.

3. Present all your points in coherent and orderly manner.

**Questions:**

1. (a) Discuss the factors responsible for the choice of small business location.

(10 marks)

(b) What are the main features and objectives of material management?  
(8 marks)

(c) Mention and explain the areas covered by a research policy.  
(8 marks)

(d) Highlight the main features of Total Quality Management.  
(4 marks)

2. (a) What are finished goods inventory, and what are the reasons for holding them?

(5 marks)

(b) What are the objectives of stores and stock control?  
(5 marks)

(c) Differentiate between batch and process costing.  
(4 marks)

(d) Highlight six rules for drawing networks.  
(6 marks)

3. (a) Discuss the features of a good report.  
(10 marks)

(b) Write short notes on the following:

- (i) Pareto Charts or Analysis
  - (ii) Design
  - (iii) Weighted Average Price
  - (iv) Unoccupied time
  - (v) Robotics
- marks)

(2 marks each = 10

4. (a) Discuss the methods of stock valuation.  
(10 marks)

(b) Highlight the reasons for stock-taking.  
(4 marks)

(c) Discuss the costs associated with 'Quality'.  
(6 marks)

5. (a) Discuss the factors to be considered when deciding on stock levels.  
(7 marks)

(b) Explain 'perpetual inventory', and highlight the merits of perpetual inventories.

(8 marks)

(c) No two parts of products are exactly the same. Discuss.  
(5 marks)