



**NATIONAL OPEN UNIVERSITY OF NIGERIA  
14/16, AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS  
SCHOOL OF MANAGEMENT SCIENCES  
JUNE/JULY, 2013 EXAMINATIONS.**

**Course Code:** BUS801      **Credit Unit:** 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. Identify the three major functional areas of organizations and describe how they interrelate.
- 1b. Describe Frederick W. Taylor shop management Approach.
- 1c. List five important differences between manufacturing and service operations.
- 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?
- 3a. Discuss five basic steps in the acquisition process
- 3b. Suppose Tijani and Osot. Ltd assembled television sets. It purchases 3,600 black and white picture tubes a year at #65 each. Ordering costs are #31, and annual carrying costs are 20 percentage of the purchase price. Compute the optimal quantity and the total annual cost of ordering and carrying the inventory.
- 4a. Discuss five basic options available for altering the capacity (or supply) or production.
- 4b. Compare and contrast two main classes of forecasting methods.
5. Discuss how process choice implements flow strategy and how the five choices differ.