

2101250

MASTER OF VOCATION
Entrepreneurship
Subject: Operations Management
Subject Code: MGM903
Semester: Third
January 2021
Theory (External): 70 Marks
Time: 03 Hours

Instructions to the Students

1. This Question paper consists of two Sections. All sections are compulsory.
2. Section A comprises 10 questions of objective type in nature. All questions are compulsory. Each question carries 2 marks.
3. Section B comprises 8 essay type questions out of which students need to do any 5. Each question carries 10 marks.
4. Read the questions carefully and write the answers in the answer sheets provided.
5. Do not write anything on the question paper.
6. Wherever necessary, the diagram drawn should be neat and properly labelled

Roll Number											

SECTION –A (SHORT/OBJECTIVE TYPE QUESTIONS)
(10x2=20 Marks)

- A Discuss the concept of JIT.
- B Discuss PLC and also explain the major stages of product life style.
- C What do you mean by Break even analysis?
- D Difference between invention and innovation?
- E How can we implement six sigma into the business organisation while taking the important operational decisions?
- F What do you meant by Quality circles?
- G Define Lean manufacturing?
- H Differentiate between goods and services?
- I Discuss the concept of Ordering cost and carrying cost?
- J Discuss the objective and functions of Inventory.

SECTION -B (ESSAY TYPE QUESTIONS)
(5x10=50 Marks)

- 1 What do you mean by operations management? Discuss its nature, scope and evolution in detail?
- 2 Short Note:
 - a) Explain Capability and Six Sigma with example
 - b) Define Lean Operations
- 3 What do you mean by location decision? Discuss the factors affecting location decision. Also discuss the importance of this decision.
- 4 What do you mean by the concept of TQM? Discuss the importance and objectives of quality management in the organisation?
- 5 What do you mean by inventory management? Discuss the various techniques of inventory control?
- 6 Write short notes on:
 - A. Process of product and service designing
 - B. Multi period and single period models of inventory mgt.
- 7 A manufacture of motors uses rs. 50000 of values per year. The administrative cost per purchase is rs. 50 and the carrying charge is 20% of the average inventory. Find the economic order quantity and number of orders per year for optimum purchasing policy of the company.
- 8 Case 1
ABC Ltd. is the country's largest manufacturer of spun yarn with well-

established market. ABC Ltd. has good reputation for quality and service. Their marketing department identified that the potential for global market is expanding rapidly and hence the company undertook exercise for expansion of the capacity for export market. The company formed team of Marketing and Materials department to study the global logistics possibilities. After extensive study, the team came up with a report on global logistics and submitted that global logistics is essentially same as domestic due to following similarities:

- The conceptual logistics framework of linking supply sources, plants, warehouses and customers is the same.
- Both systems involve managing the movement and storage of products.
- Information is critical to effective provision of customer service, management of inventory, vendor product and cost control.
- The functional processes of inventory management, warehousing, order processing, carrier selection, procurement, and vendor payment are required for both.
- Economic and safety regulations exist for transportation.

The company had very economical and reliable transportation system in existence. For exports as well they decided to evaluate capabilities of their existing transporter and entrusted them with the job of transport till port. For customs formalities they engaged a good CHA after proper cost evaluation and entered into contract for freight with shipping company agent.

The response for company's export was very good and the company could get as many as 15 customers within first two months and reached to a level of USD 250,000 per month by the end of first half of the year. Based on this response the export volumes were expected to grow to a level of USD 400,000 per month by the end of the year. When the review was made at the end of the year, company found that

export volumes had in fact come down to the level of USD 120,000 which was much lower than it had reached in the first half of the year. The managing committee had an emergency meeting to discuss this and the export manager was entrusted with the task of identifying the reasons for this decline. Mr. Ganesh decided to visit the customers for getting the first hand information. When he discussed the matter with the customers, the feedback on the quality and price were good but the customers were very upset on the logistic services due to delayed shipments, frequent changes in shipping schedules, improper documentation, improper identifications, package sizes, losses due to transit damages etc.

After coming back, the export manager checked the dispatch schedules and found that production and ex-works schedules were all proper. Then he studied the logistics systems and found that the logistics cost was very high and all the logistics people were de motivated due to overwork and were complaining of total lack of co-ordination and the system had become totally disorganised.

Questions

1. Explain the problems experienced by ABC Ltd. What is the main cause of these problems?
2. What logistics model should the company go for to ensure proper operations of the company?

===END OF PAPER===