



Principles of Business Operations

02 June 2016

Examination Paper

Answer any FIVE (5) questions.

Clearly cross out surplus answers.

Failure to do this will result in only the first FIVE (5) answers being marked.

Time: 3 hours

The maximum mark for this paper is 100.

Any reference material brought into the examination room must be handed to the invigilator before the start of the examination.

Answer any FIVE (5) questions

Marks

Question 1

- | | |
|---|----------|
| a) List FIVE (5) benefits that an organisation can achieve through the effective use of <i>forecasting</i> and <i>demand planning</i> . | 5 |
| b) Explain why senior managers are more likely to use <i>longer-range forecasts</i> than operational managers. | 4 |
| c) Describe THREE (3) roles that the <i>master production schedule</i> plays in resource planning. | 6 |
| d) <i>Resource planning</i> is commonly described as a “3-stage process”. List these THREE (3) processes. | 3 |
| e) Define the role of an <i>intermediary</i> in a technology value chain. | 2 |

Total 20 Marks

Question 2

- | | |
|--|----------|
| a) <i>Customer satisfaction</i> is a commonly used key performance measure. Explain why this is the case and list THREE (3) measures that can be used to identify the levels of customer satisfaction. | 6 |
| b) Why would an organisation use the <i>Malcolm Baldrige National Quality Program</i> ? | 4 |
| c) What are the main characteristics of a <i>customer benefit package</i> ? | 4 |
| d) Explain the key differences between a B2B business relationship and a B2C business relationship and give ONE (1) example of each. | 6 |

Total 20 Marks

Question 3

- a) List FOUR (4) ways in which *team working* can help to improve the job satisfaction of individual employees. 4
- b) Product layout and process layout are two approaches commonly used in *facilities design*. Briefly describe both of these layout patterns and give ONE (1) example of a disadvantage for EACH. 10
- c) Why is *scheduling* vital to the effective operation of a supply chain? 6

Total 20 Marks

Question 4

- a) Briefly describe the key differences between a *process* and a *value chain*. 4
- b) *Continual learning* is commonly viewed as a key operations management activity. Explain why this is the case. 4
- c) Define the term *operations management*. 2
- d) Give TWO (2) reasons why it is important to keep *manufacturing design* as simple as possible. 4
- e) Compare and contrast the following types of *processes* used by manufacturing companies: 6
 - Job-shop
 - Flow-shop

Total 20 Marks

Question 5

- a) Briefly describe THREE (3) measures that can be used to assess *supply chain efficiency*. **6**
- b) Explain how the following technologies can help to make supply chains more effective: **6**
- RFID
 - EDI
- c) Explain what is meant by the *Six Sigma* quality management technique and identify THREE (3) of the principles upon which is based. **5**
- d) Explain why forecasting is so important in *push system* inventory control. **3**

Total 20 Marks**Question 6**

- a) List and briefly describe THREE (3) reasons why an organisation would select an *offshoring* approach. **6**
- b) Explain how *exciters* and *delighters* can help an organisation to gain competitive advantage. **4**
- c) List the FOUR (4) customer demands that combine to create *value*. **4**
- d) Explain why it is important for organisations to be flexible in order to respond quickly to changes in the marketplace? **3**
- e) Explain how *value stream mapping* contributes to an efficient, lean organisation. **3**

Total 20 Marks**End of paper**