



20/
24/3/2018

DOON UNIVERSITY, DEHRADUN
Mid Semester Examination, IV Semester, 2018
Academic Year 2017-18 (Even Semester)
School of Management
Programme Name MBA
Course Code with Title : 513
Project Operations Management

Time Allowed 2.00 Hours

Maximum Marks: 30

SECTION : A
(6X1 Marks= 6 Marks)

1. The function that is part of every business organization that produces products and/or delivers services is the _____ function.
 - a) Marketing
 - b) Production
 - c) Operations
 - d) Value- Processing
 - e) Supply Chain

2. A key difference between the production of goods and the performance of services is:
 - a) Services generally can't be stored.
 - b) Manufacturing can be more labor intensive.
 - c) Service is less profitable than manufacturing.
 - d) Service work is more interesting than manufacturing work.
 - e) Service workers require less training than manufacturing workers.

3. Operations management includes all of these activities except:
 - a) scheduling work.
 - b) maintaining quality.
 - c) assessing consumer wants and needs.
 - d) managing the supply chain.
 - e) managing inventories.

4. Productivity measures output relative to:
 - a) strategy.
 - b) demand.
 - c) inputs.
 - d) capacity.
 - e) growth.

5. What are the elements of 'Good' Forecast

6. What are the major reasons behind Product or Service Design or Redesign?

SECTION : B [4X3 Marks= 12 Marks]

7. How Capacity Decisions are strategically made and measure.
8. Explain the term 'Bottleneck Operations'
9. Explain the Decision Process. Also, explain the causes of Poor Decisions
10. Explain the term service Operations with examples

SECTION : C
(12 marks)

Hazel had worked for the same Fortune 500 company for almost 15 years. Although the company had gone through some tough times, things were starting to turn around. Customer orders were up, and quality and productivity had improved dramatically from what they had been only a few years earlier due to a companywide quality improvement program. So it came as a real shock to Hazel and about 400 of her coworkers when they were suddenly terminated following the new CEO's decision to downsize the company. After recovering from the initial shock, Hazel tried to find employment elsewhere. Despite her efforts, after eight months of searching she was no closer to finding a job than the day she started. Her funds were being depleted and she was getting more discouraged. There was one bright spot, though: She was able to bring in a little money by mowing lawns for her neighbors. She got involved quite by chance when she heard one neighbor remark that now that his children were on their own, nobody was around to cut the grass. Almost jokingly, Hazel asked him how much he'd be willing to pay. Soon Hazel was mowing the lawns of five neighbors. Other neighbors wanted her to work on their lawns, but she didn't feel that she could spare any more time from her job search. However, as the rejection letters began to pile up, Hazel knew she had to make a decision. On a sunny Tuesday morning, she decided, like many others in a similar situation, to go into business for herself—taking care of neighborhood lawns. She was relieved to give up the stress of job hunting, and she was excited about the prospect of being her own boss. But she was also fearful of being completely on her own. Nevertheless, Hazel was determined to make a go of it. At first, business was a little slow, but once people realized Hazel was available, many asked her to take care of their lawns. Some people were simply glad to turn the work over to her; others switched from professional lawn care services. By the end of her first year in business, Hazel knew she could earn a living this way. She also performed other services such as fertilizing lawns, weeding gardens, and trimming shrubbery. Business became so good that Hazel hired two part-time workers to assist her and, even then, she believed she could expand further if she wanted to.

Questions 1. Hazel is the operations manager of her business. Among her responsibilities are forecasting, inventory management, scheduling, quality assurance, and maintenance. **[4X0.5 Marks=2 Marks]**

- a. What kinds of things would likely require forecasts?
- b. What inventory items does Hazel probably have? Name one inventory decision she has to make periodically.
- c. What scheduling must she do? What things might occur to disrupt schedules and cause Hazel to reschedule?
- d. How important is quality assurance to Hazel's business? Explain.
- e. What kinds of maintenance must be performed?

Question 2. In what ways are Hazel's customers most likely to judge the quality of her lawn care services? **[1 Marks]**

3. What are some of the trade-offs that Hazel probably considered relative to: **[3 Marks]**

- a. Working for a company instead of for herself?
- b. Expanding the business?
- c. Launching a Web site?

Question 4. The town is considering an ordinance that would prohibit putting grass clippings at the curb for pickup because local landfills cannot handle the volume. What options might Hazel consider if the ordinance is passed? Name two advantages and two drawbacks of each option **[1 Mark]**

Question 5. Hazel decided to offer the students who worked for her a bonus of \$25 for ideas on how to improve the business, and they provided several good ideas. One idea that she initially rejected now appears to hold great promise. The student who proposed the idea has left, and is currently working for a competitor. Should Hazel send that student a check for the idea? What are the possible trade-offs? **[1 Mark]**

Question 6. All managers have to cope with variation. **[3 Marks]**

- a. What are the major sources of variation that Hazel has to contend with?
- b. How might these sources of variation impact Hazel's ability to match supply and demand?
- c. What are some ways she can cope with variation?

Question 7. Hazel is thinking of making some of her operations sustainable. What are some ideas she might consider? **[1 Mark]**