# SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS) 

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)
SECOND SEMESTER MBA DEGREE EXAMINATION (R), MAY 2023
(2021 Scheme)

## Course Code : 21MBA108 <br> Course Name: Operations Management <br> Max. Marks : 60

Duration: 3 Hours

## PART A

(Answer all questions. Each question carries 2 marks)

1. What is the transformation process in Operations Management
2. A manager checked production records and found that a worker produced 200 units while working 40 hours. In the previous week, the same worker produced 150 units while working 36 hours. Did the worker's productivity increase, decrease, or remain the same? Explain.
3. Explain how process flow charts help in method analysis
4. On what concept is the ABC approach to inventory management based? How does it differ from VED analysis?
5. What is Poka-yoke and give a good example of it.

## PART B

(Answer any 3 questions. Each question carries 10 marks)
6. Describe each of these systems: craft production, mass production, and lean production

Sales of modern fashion shoes were carefully recorded over the 20 months of its life and are published below.

| Month | Sales (pairs) | Month | Sales (pairs) |
| :---: | :---: | :---: | :---: |
| $\mathbf{1}$ | 20 | $\mathbf{1 1}$ | 280 |
| $\mathbf{2}$ | 80 | $\mathbf{1 2}$ | 250 |
| $\mathbf{3}$ | 140 | $\mathbf{1 3}$ | 200 |
| $\mathbf{4}$ | 200 | $\mathbf{1 4}$ | 180 |
| $\mathbf{5}$ | 230 | $\mathbf{1 5}$ | 160 |
| $\mathbf{6}$ | 250 | $\mathbf{1 6}$ | 150 |
| $\mathbf{7}$ | 280 | $\mathbf{1 7}$ | 140 |
| $\mathbf{8}$ | 310 | $\mathbf{1 8}$ | 130 |
| $\mathbf{9}$ | 300 | $\mathbf{1 9}$ | 90 |
| $\mathbf{1 0}$ | 300 | $\mathbf{2 0}$ | 60 |

a) Plot the data in the form of a scatter diagram, and attempt to identify any trend
b) Prepare a 4 -month moving average to estimate the sales for the $21^{\text {st }}$ month and find the error performance of the forecasting techniques using MAD.
(8 marks)
8. a) Identify the four kinds of quality cost that are included in a cost of quality report. Give examples of costs that fall within each category.
(6 marks)
b) A business generates $\$ 1,000,000$ in sales. It incurs $\$ 10,200$ in Quality checks and inspections. It pays $\$ 30,000$ for appraising the purchased raw materials. Additionally, it pays $\$ 15,000$ for repairs on finished items. It maintains a provision of $\$ 5,000$ for warranty costs and product returns. Help the management determine the cost of quality as a percentage of sales.
(4 marks)
9. Discuss the role of information technology in SCM
10. Explain the following terms used in lean operations:
i. Muda
ii. Kanban
iii. Heijunka
iv. Kaizen
v. Jidoka

## PART C

(Compulsory question, the question carries 20 marks)
11. Consider a fast-food restaurant and answer the following questions:
a) The locational factors considered for establishing the enterprise.
(5 marks)
b) Techniques for comparing different location
c) Type of layout
d) The company has identified two locations for location the restaurant: A and B. At location A, the estimated annual sales are $\$ 450,000$ in sales. Their total variable costs would amount to $\$ 180,000$ and total fixed costs to $\$ 200,000$ annually if location A was selected. Whereas for location B, the estimated annual sales are $\$ 500,000$, total fixed cost and total variable cost was estimated to $\$ 200,000$ and $\$ 250,000$ respectively. Which location should be selected by the company?

