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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2018/2019 ACADEMIC YEAR
DIPLOMA IN PROCUREMENT AND SUPPLIES
DPS 1401 – OPERATIONS MANAGEMENT

Date: 10th April, 2018
Time: 11.00Am-1.00Pm

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

Sound health limited

Sound health limited is a private company that deals with manufacturing and selling of anti-mosquito treated bed-nets. The company distributes nets in and outside Kenya. The CEO of Sound health limited has stated that the objective of the company will be, 'to supply the best possible product to the greatest number of consumers at the lowest possible cost'. The lowest possible cost will only be achieved by introducing a number of radical changes which will affect employees, shareholders and management. The ultimate goal will be to improve the efficiency of operations.

The holders of this view who include the CEO are people who joined Sound health limited recently and have not stayed in the organization more than three years. This group is small in number but they are quite influential. The 'newcomers' have had extensive private sector business experience where managerial internal controls are strict and well established.

This is in contrast with what has been happening at Sound health limited, where there are many loopholes and contradictory systems of control.

Required:

- i. Explain the reasons why the CEO may realize that the interest of customers could conflict with efforts to serve the shareholders. (8Marks)
- ii. Briefly explain the objectives of operations management in Sound health limited. (10Marks)
- iii. Discuss the steps for product planning and control in Sound health limited. (12Marks)

QUESTION TWO (20 MARKS)

Process layout is the grouping of facilities according to their functions and operations. Highlight the advantages and disadvantages of process layout. (20Marks)

QUESTION THREE (20 MARKS)

The jobbing, batch and mass types of production have their own distinctive systems of operation and their own problems of production, planning and control. State the features of jobbing, batch and mass types of production. (20Marks)

QUESTION FOUR (20 MARKS)

Capacity requirements can be evaluated from two perspectives, long term capacity strategies and short term capacity strategies. Discuss the parameters that affect long range capacity decisions and briefly explain **five** types of short term capacity strategies. (20Marks)

QUESTION FIVE (20 MARKS)

Explain the benefits of the following in an organization:-

(20Marks)

- a) Total quality management
- b) Quality Circles