



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **MGT3124 Operations Management**
Trimester & Year : September – December 2018
Lecturer/Examiner : Philip Kwan
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (30 marks) : THIRTY (30) multiple choice questions. Answers are to be written in the Multiple Choice Answer Sheet provided.
PART B (70 marks) : FOUR (4) problem solving questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorised materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 10 (Including the cover page)

PART A : MULTIPLE CHOICE QUESTIONS (30 MARKS)

INSTRUCTION(S) : THIRTY (30) multiple choice questions. Answer ALL questions in the multiple choice answer sheet provided.

1. At Hard Rock Café, tasks that reflect operations or operations management include:
 - a. designing efficient layouts
 - b. receiving ingredients
 - c. providing meals
 - d. all of the above

2. Which of the following would **NOT** be an operations function in a commercial bank?
 - a. Auditing
 - b. Teller scheduling
 - c. Maintenance
 - d. Collection

3. The operations manager is **NOT** likely to be involved in:
 - a. the design of goods and services to satisfy customers' wants and needs
 - b. the quality of goods and services to satisfy customers' wants and needs
 - c. the identification of customers' wants and needs
 - d. work scheduling to meet the due dates promised to customers

4. Which of the international operations strategies uses the existing domestic model globally?
 - a. International strategy
 - b. Global strategy
 - c. Transnational strategy
 - d. Multi-domestic strategy

5. Cost minimisation is an appropriate strategy in which stage of the product life cycle?
- Introduction
 - Growth
 - Adolescence
 - Decline
6. Which of the following is an example of competing on quick response?
- A firm produces its product with less raw material waste than its competitors do
 - A firm offers more reliable products than its competitors do
 - A firm's products are introduced into the market faster than its competitors' products
 - A firm utilises its capacity more effectively than its competitors do
7. Which of the following is **NOT** a phase of project management?
- Planning
 - Scheduling
 - Controlling
 - Budgeting
8. The control of projects involves close monitoring of which of the following?
- Resources
 - Costs
 - Quality
 - All of the above
9. The forecasting technique that pools the opinions of a group of experts or managers is known as:
- the expert judgment model
 - multiple regression
 - jury of executive opinion
 - market survey

10. Many services maintain records of sales noting:
- the day of the week
 - unusual events
 - holiday impacts
 - all of the above
11. The **MOST** interactive element in the service blueprint of a fitness facility is the:
- choice of music played
 - amount and type of exercise equipment
 - attention given to prospective members on their initial visit
 - cleanliness of the locker rooms
12. The three major elements of the product decision are:
- selection, definition, and design
 - goods, services, and hybrids
 - strategy, tactics, and operations
 - cost, differentiation, and speed of response
13. A service blueprint with a large number of intricate steps is considered to have a:
- high degree of divergence
 - low degree of complexity
 - high degree of complexity
 - low degree of divergence
14. In which stage of the product life cycle should product strategy focus on process modifications as the product is being "fine-tuned" for the market?
- Introduction
 - Growth
 - Maturity
 - Decline

15. Operations managers must be able to anticipate changes in which of the following?
- Product mix
 - Product opportunities
 - The products themselves
 - All of the above
16. Quality function deployment (QFD):
- determines what will satisfy the customer
 - translates customer desires into the target design
 - is used early in the design process
 - all of the above
17. 3-D printing has proven to be particularly advantageous for:
- prototype development and customer products
 - modular design
 - quality function deployment
 - robust design
18. Quality can improve profitability by reducing costs. Which of the following is **NOT** an aspect of reduced costs by quality improvements?
- Flexible pricing
 - Increased productivity
 - Lower rework and scrap costs
 - Lower warranty costs
19. Which of the following statements is **NOT** true?
- Self-promotion is not a substitute for quality products
 - Inferior products harm a firm's profitability and a nation's balance of payments
 - Product liability transfers from the manufacturer to the retailer once the retailer accepts delivery of the product
 - Quality, be it good or bad will show up in perceptions about a firm's new products, employment practices, and supplier relations

20. To become ISO 9000 certified, organisations must:
- document quality procedures
 - have an onsite assessment
 - have an ongoing series of audits of their products or service
 - all of the above
21. The philosophy of zero defects is:
- unrealistic
 - prohibitively costly
 - an ultimate goal, in practice about 1% to 2% defects is acceptable
 - consistent with the commitment to continuous improvement
22. For companies offering customised services, which of the following is **TRUE**?
- A comprehensive employee hiring process is very important
 - Employee tasks are low on divergence
 - A production-line approach to service is desirable
 - Information processing plays a minor role
23. One use of short-range forecasts is to determine:
- planning for new products
 - capital expenditures
 - facility location
 - job assignments
24. An empty airline seat or hotel room not occupied **BEST** illustrates the characteristic of a service's:
- time perishability
 - labour intensity
 - intangibility
 - simultaneous production and consumption

25. Which of the following is **NOT** one of the strategies for improving service productivity?
- a. Automation
 - b. Scheduling
 - c. Separation
 - d. Mass customisation
26. Which of the following is **TRUE** regarding the concept of flexibility?
- a. It is the ability to respond with little penalty in time, cost, or customer value
 - b. It may be accomplished with digitally controlled equipment
 - c. It may involve modular or movable equipment
 - d. All of the above are true
27. Which of the following products is likely to be assembled on a repetitive process line?
- a. Automobiles
 - b. Customer personal computers
 - c. Custom cakes
 - d. Steel
28. The **FIRST** step in developing a service blueprint is:
- a. to reach a consensus on which activities are more important than others
 - b. to identify the links between a set of alternative service possibilities
 - c. to identify the key employees who will be enacting the service blueprint
 - d. to identify all the key activities involved in creating and delivering the service

29. Total quality management emphasises:
- a. the responsibility of the QC staff to identify and solve all quality-related problems
 - b. a commitment to quality that goes beyond internal issues to customers
 - c. a system where strong managers are the only decision makers
 - d. a process where mostly statisticians get involved
30. Based on his 14 Points, Deming is a strong proponent of:
- a. inspection at the end of the production process
 - b. an increase in numerical quotas to boost productivity
 - c. looking for the cheapest supplier
 - d. training and knowledge

END OF PART A

PART B : PROBLEM SOLVING QUESTIONS (70 MARKS)

INSTRUCTION(S) : FOUR (4) problem solving questions. Answer ALL questions. Answers are to be written in the Answer Booklet provided.

1. Identify and explain the **FOUR (4)** basic global operations strategies. Give an example of each strategy.

(15 marks)

2. Herbal life Nutrition is a global multi-level marketing corporation that develops, markets, and sells nutrition supplements, weight management, sports nutrition, and personal-care products. The company was founded by Mark Hughes in 1980, and it employs an estimated 8,000 people worldwide. Identify and briefly describe **FIVE (5)** techniques for improving service productivity, and include an example for each technique.

(15 marks)

3. Starbucks is one of the best known coffeehouse chains in the world. Each store sells a variety of innovative products to complement the array of coffee choices available. However, over half of the current stores are located in the Malaysia and the expensive nature of the coffee leaves Starbucks vulnerable to changes in consumer spending behavior (such as recessions). Starbucks has begun initiatives to sell its specialty coffee beans for home use, presenting a chance for a large increase in revenue and diversification. However, Starbucks faces fierce competition seeking a piece of its lucrative market share and the threat of consumer behavior changes, given its reputation rides on a singular product. Perform an SWOT analysis for Starbucks, discuss them with appropriate justification.

(20 marks)

4. A local university is considering changes to its class structure in an effort to increase professor productivity. The old schedule had each professor teaching 5 classes per week, with each class meeting an hour per day on Monday, Wednesday, and Friday. Each class contained 20 students. The new schedule has each professor teaching only 3 classes, but each class meets daily (Mon-Fri) for an hour. New classes contain 50 students.
- a. Briefly describe how to calculate the labor productivity for the initial situation (students/hour). (5 marks)
 - b. Briefly describe how to calculate the labor productivity for the schedule change (students/hour). (5 marks)
 - c. Are there any ethical considerations that should be accounted for? Describe. (5 marks)
 - d. Suppose that each teacher also is required to have 2 hours of Office Hours each day he/she taught class. Explain how is the schedule changing a productivity increase. (5 marks)
- [Total: 20 marks]

END OF EXAM PAPER