



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2015/2016

**FIRST YEAR SECOND SEMESTER EXAMINATIONS FOR THE
DEGREE OF MASTER OF SCIENCE IN HOSPITALITY
MANAGEMENT**

MAIN CAMPUS

SEH 806: HOSPITALITY OPERATIONS MANAGEMENT

Date: 14th January, 2015

Time: 2.00 - 5.00 pm

INSTRUCTIONS:

- Attempt all questions in SECTION A and question FOUR and any other question in SECTION B
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SEH 806: Hospitality Operations Management

INSTRUCTIONS

- (i) Attempt all questions in Section A and Question Three and any other one question in section B**
- (ii) Answer All questions in the booklet provided**

SECTION A

Question One

Discuss the major elements of a production system and how various Control systems can be used to monitor and report Hospitality Operations **(10 Marks)**

Question Two

Discuss the key components of Sunsystems and Opera Systems and how they have been applied in the Kenyan Hospitality Industry **(10 Marks)**

SECTION B

Question Three

You are provided with the following information and have been asked to advise on appropriate working capital management policies using the Economic Order Quantity Model (EOQ) for a hotel. The information you are given is that the demand in a 1500 day period is 2000 units of cakes. The cost of the product is Ksh7.50. The holding cost of the

product in terms of storage costs and insurance against theft is equal to 10% of the cost of the product. It costs £10 to place an order in terms of administration and call charges with a lead time of 1 month. You are asked to advise on an appropriate working inventory and the costs associated with it. (20 Marks)

- a) Establish the EOQ or optimal batch size
- b) How many orders will be places over the period?
- c) How often should the hotel place orders?
- d) At what level of stock should the hotel order new stock?
- e) What is the total cost of this?

Question Four

Discuss main Features of various food/service production system highlighting both advantages and disadvantages of each system (20 Marks)

Question Five

Discuss the five basic forms of transformation systems highlighting advantages and disadvantages of each system? (20 Marks)

END
