



MASENO UNIVERSITY
UNIVERSITY EXAMINATIONS 2016/2017

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

CITY CAMPUS

MSM 805: OPERATIONS MANAGEMENT

Date: 10th June, 2017

Time: 9.00 - 12.00 noon

INSTRUCTIONS:

- Answer question ONE and any other THREE questions in this paper
- All questions carry equal marks.



Question One (Case Study – Compulsory)

Read the case study below then answer the questions that follow.

Product S Co. Ltd. is a multinational soft drinks (beverages) and confectionery business that is based in Kenya. The business is a public limited company. It is involved in the manufacture, marketing and distribution of its many branded products. The company now employs over 40000 people and its products are available in almost 200 countries. The company's products can be divided into:

- Beverages (carbonated soft drinks and non carbonated soft drinks (waters and fruit juices)
- Confectionery (chocolate products, sugar products, chewing gum)

Much of Product S manufacturing still takes place in the Kenya. However, in the last decade the company moved some of its production to South Africa and other countries with emerging economies.

To satisfy most of its shareholders, Product S has set out a strategy to help achieve its objective. This strategy consists of:

- Creating strong regional positions through organic growth, acquisitions and disposals
- Developing strong brands through marketing
- Expanding its marketing share through innovation in products and packaging
- Regularly updating its product portfolio

Production

Despite manufacturing its goods in large quantities, Product S uses batch rather than flow production methods.

The company must ensure the products are of high quality. Not only are there strict laws about how foodstuff is made, but also Product S would not want to damage its reputation by allowing inferior products to be sold.

Product S undertakes extensive Research and Development (R&D) to develop new products and to find ways of manufacturing existing brands more efficiently. Product S uses the services of a specialist R&D business for its confectionery business.

Required:

- (a) Describe the differences between batch and flow production. (4 Marks)
- (b) Critically evaluate the reasons why Product S uses batch production when making chocolate bars. (4 Marks)
- (c) Discuss which of the following two quality control methods would be better for Product S:
- checking samples of the products after they have been made
 - making workers responsible for the quality of their own work (7 Marks)

Questions Two

“In the age of science, every work is sought to be done scientifically and systematically. In order to carry out work in a rational, scientific and systematic manner, the systems approach must be developed and applied”.

Examine the essence of the “*systems approach*” to management in modern organizations.

(15 Marks)

Question Three

(a) Critically evaluate the significance of Operations function in modern society.

(6 Marks)

(b) Identify and discuss any THREE current issues of concern to managers in the operations function today

(9 Marks)

Question Four

Examine the applications of the project approach to modern management environments.

(15 Marks)

Question Five

Discuss the significant historical developments in Operations Management from the era of scientific management to-date.

(15 Marks)

Question Six

“Operations Management has been described as the source of all competitive advantage that can be created by an organization”. Evaluate five competitive dimensions around which businesses may select to base their Operations Strategies.

(15 Marks)