

TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

FIRST YEAR FIRST SEMESTER EXAMINATION FOR DEGREE OF MASTER OF

SCIENCE IN PROCUREMENT AND SUPPLIES MANAGEMENT

BMS 5202: OPERATIONS MANAGEMENT

END OF SEMESTER EXAMINATION

SERIES: DECEMBER, 2016

TIME: 3 HOURS

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **Choose No** questions. **Attempt Choose instruction**

Answer question ONE Compulsory and any other THREE questions

Do not write on the question paper.

Question ONE

a). Describe the two Forecasting methods and indicate their relevance to operations management.

15 marks

b). Describe the two main basic steps in designing a quality product.

10 marks

Question Two

As an organization develops plans and strategies to deal with the opportunities and challenges that arise in its particular operating environment, it should design a system that is capable of producing quality services and goods in the quantities demanded and in the time frames necessary to meet the businesses obligations. In view of this, Justify.

25 marks

Question THREE

Understanding dimensions that customers use to judge the quality of a product or service helps organizations meet customer expectations. In light of the above, explain the features of

dimensions of both product and service quality.
marks

25

Question FOUR

a).Mr. Khamisi argues that having good quality is a competitive advantage against others who offer similar products or services in the marketplace. Justify this. 15 marks

b). Describe advantages of having an effective inventory planning system within a business. 10 marks

Question FIVE

a). Musyoka Co produces chemicals to sell to wholesalers. One of the raw materials it buys is sodium nitrate which is purchased at the rate of \$22.50 per ton. Biotech's forecasts show a estimated requirement of 5,75,000 tons of sodium nitrate for the coming year. The annual total carrying cost for this material is 40% of acquisition cost and the ordering cost is \$595. What is the Most Economical Order Quantity? 15 marks

b). Facility Location is the right location for the manufacturing facility; it will have sufficient access to the customers, workers, transportation. In view of this, describe the critical factors. 10 marks

