



# TECHNICAL UNIVERSITY OF MOMBASA

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SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

**UNIVERSITY EXAMINATION FOR:**

BACHELOR OF PROCUREMENT MANAGEMENT

BMS 4301 OPERATION MANAGEMENT

SEMESTER EXAMINATION

**SERIES: AUGUST , 2019**

**TIME:2 HOURS**

**DATE: AUGUST,2019**

## **Instructions to Candidates**

You should have the following for this examination

*-Answer Booklet, examination pass and student ID*

This paper consists of five questions. Attempt question ONE (**Compulsory**) and any other TWO questions.

**Do not write on the question paper.**

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## **QUESTION 1 (Compulsory)**

**Read the passage below and answer the questions a to b**

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Oxfam is a major international development, relief and campaigning organization dedicated to finding lasting solutions to poverty and suffering around the world. It works closely with the communities it helps through a network of local partners and volunteers to provide safety, dignity and opportunity for many disadvantaged people around the world. Oxfam's network of charity shops is run by volunteers and is a key source of income. The shops sell donated items and handicrafts from around the world, giving small-scale producers fair prices, training, advice and funding.

However, Oxfam is perhaps best known for its work in emergency situations, providing humanitarian aid where it is needed. It has particular expertise in providing clean water and sanitation facilities. Around 80 per cent of diseases and over one-third of deaths in the developing world are caused by contaminated water. Yet much of Oxfam's work continues out of the spotlight of disasters and the charity provides continuing help, working with poor communities through a range of programmes.

Whether the disasters are natural (such as earthquakes and storms) or political (such as riots and wars), they become emergencies when the people involved can no longer cope. In poor countries, disasters leave homeless and hungry people who will become ill or die within days if they do not get aid. In such situations, Oxfam, through its network of staff in local offices in 70 countries, is able to advise on the resources and help that are needed and where they are needed. Indeed, local teams are often able to provide warnings of impending disasters, giving more time to assess need and coordinate a multi-agency response.

The organization's headquarters in Oxford provides advice, materials and staff, often deploying emergency

support staff on short-term assignments when and where their skills are required. Shelters, blankets and clothing can be flown out at short notice from the Emergencies Warehouse. Engineers and sanitation equipment can also be provided, including water tanks, latrines, hygiene kits and containers. When an emergency is over, Oxfam continues to work with the affected communities through its local offices to help people rebuild their lives and livelihoods.

- a) **Illustrate** the relationship of Operation Management and other core and support functions that may exist in Oxfam (10marks)
- b) **Explain** the necessity of Operation Management in Oxfam? (10 marks)
- c) **Describe** how manufacturing operation and service operations that Oxfam is engaged in may be differentiated. (5marks)
- d) **Define** the following terms as used in production and operation management (2 marks)
- e) **List** six scope of production and operation management (3 marks)

## QUESTION 2

- a) **Explain** five importance of capacity decisions (10marks)
- b) **Describe** the Alfred Webbers theory of Industry plant location (10marks)

## QUESTION 3

- a) Today's production manager faces several challenges, identify the major challenges and suggest a solution to each one of them (10 marks)
- b) There are various methods for demand forecasting. Describe 2 quantitative and 2 qualitative methods that may be used by an operation manager to determine demand (10 marks)

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#### QUESTION 4

- a) Using the table provided below construct a decision tree diagram and determine the best option for the firm (10 marks)

	Probability	0.1	0.4	0.5
Demand	A	20	50	80
	B	100	20	250
	C	10	30	50

- b) Discuss the considerations made to ensure that a product designed by a firm meets the need of the final end users. (10 marks)

#### QUESTION 5

- a) Productivity is regarded as a multidimensional phenomenon that explained by the productivity flywheel. Describe the productivity flywheel. (10 marks)
- b) **Describe** the seven waste areas in a firm during production process (10marks)

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