UNIVERSITY OF JOHANNESBURG

FACULTY OF MANAGEMENT

DEPARTMENT OF BUSINESS MANAGEMENT

SUPPLEMENTARY SUMMATIVE ASSESSMENT JULY 2017

SUBJECT:	Business Management 2A
CODE:	BMA2A01/BMA12A1
TIME ALLOWED:	2 Hours
TOTAL MARKS:	100

LECTURERS:	Prof. D. Pooe
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EXAMINER (S):	Dr T.N. van der Linde
MODERATOR:	Prof. H.E.C. de Bruyn
NUMBER OF PAGES:	11

INSTRUCTIONS:

1. This is a written close-book assessment.
2. Read the questions carefully and answer what is asked.
3. Answer all the questions:
   a. Answer all questions in the assessment book provided,
   b. Answer Section A (Multiple choice) at the back of the assessment book,
   c. Answer Sections B in the assessment book provided.
4. Number your answers clearly.
5. Write neatly and legibly. Systematic exposition is a prerequisite.
6. The use of a non-programmable calculator is allowed.
7. Write your module code on the front page of the test book
8. **NB: Questions papers must be handed in together with your answer books.**

The general University of Johannesburg policies, procedures and rules pertaining to closed book written assessments (examinations) apply to this assessment.

SECTION B **[60 MARKS]**

QUESTION 1 **15 MARKS**

CASE STUDY

You are managing a group of 10 technology consultants at a service centre The technology consultants are available for 12 hours a day for 5 days per week, but South African Labour Laws only allows them to work 10 hours per day. In that 10 hours they must have 1 hour lunch time and two 30 minute coffee and convenience breaks. This means they actually work an 8 hour day.

A consulting session session with a consultant is scheduled to be 60 minutes. In this 60 minute contact with the client the following allowance are made:

- There should be 5 minutes allowed for explaining the problem
- 5 Minutes should be allowed to run diagnostic tests.
- 5 Minutes should be allowed for the customer to test the device/equipment,

This means a 30 minute session is reduced by 50%. On average 2 clients per instructor cancel their appointment per day..

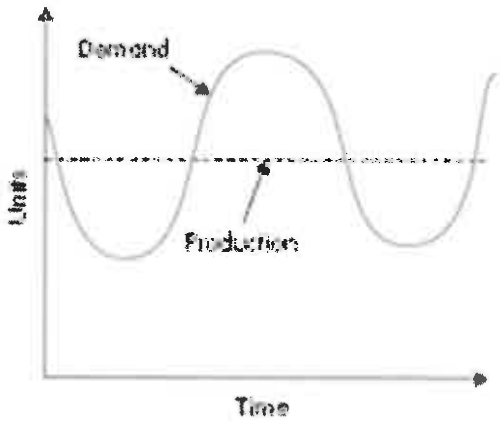
It is required of you to:

a.	Determine the design capacity of the service centre (in minutes per week),	3 Marks
b.	Calculate the effective capacity of the service centre (in minutes per week),	3 Marks
c.	Determine the actual capacity of the service centre (in minutes per week),	3 Marks
d.	Compute the efficiency of the service centre	3 Marks
e.	Compute the utilization of the service centre.	3 Marks

QUESTION 2 **11 MARKS**

It can be stated that the primary objective of an Operational Manager is to "eliminate waste", but the operational challenge of operations is to "Match the organizational capacity with demand" for the products and services provided by the organization. This operational challenge is presented in the figure below.

Figure: Demand and capacity



It is required of you to discuss the generic strategies that the organization can implement to manage this operational; challenge to "marry demand with capacity".

QUESTION 3 **(16 MARKS)**

No operational manager likes to run out of inventory. But for the blood services, such as the South African National Blood Services (SANBS), the consequences of running out of blood can be serious. Many people owe their lives to blood transfusions that were made possible by the efficient management of blood, stocked in a network that stretches from the donation centres through to the blood bank and eventually to the hospitals where it's needed. The SANBS has three main stages:

- Collection, which involves recruiting and retaining blood donors;
- Processing, which break down blood into its constituent parts (red cells, plasma and platelets), and
- Distribution, which transport blood from blood centres to hospitals.

It is required of you to **identify** and **briefly discuss** the **useful functions** of inventory as well as the **problems** that can be caused by inventory.

QUESTION 4 **(8 MARKS)**

Managing quality is not cheap. It has been estimated that in 2001 it cost General Electric (GE) somewhere between R15 billion and R20 billion to implement its quality management strategy. As quality evolves from being reactive (fixing problems) to proactive (preventing problems) the nature of the cost is changing as well.
It is required of you to **identify** the cost associated with quality with an **example**.

QUESTION 4 **(10 MARKS)**

One of the elements that Ohno identified as a source of waste is the japanese concept of *"muda"* or non-valua adding activities. Ohno identified 7 sources of non-value adding activities.

Name and **explain** 5 (five) sources of waste that Ohno identified in lean operations.

END OF PAPER -