



FACULTY/COLLEGE	College of Business and Economics
SCHOOL	Johannesburg Business School
DEPARTMENT	Business Management
CAMPUS	APB
MODULE NAME	Operations Management
MODULE CODE	AC1OPSM
SEMESTER	Second
ASSESSMENT OPPORTUNITY, MONTH AND YEAR	Final Supplementary Summative Assessment January 2020

ASSESSMENT DATE	January 2020	SESSION	
ASSESSOR	Mr J Mbuya		
MODERATOR	Mr SC Mukwakungu		
DURATION	120 minutes	TOTAL MARKS	100

NUMBER OF PAGES OF QUESTION PAPER (Including cover page)	9
---	---

INFORMATION/INSTRUCTIONS:

-
- This is a closed-book assessment.
 - Question papers must be handed in together with your answer books.
 - Read the questions carefully and answer only what is asked.
 - Answer all the questions:
 - Answer **Section A** on the multiple-choice page in the back of your answer book.
 - Answer **Section B** in the answer book.
 - Number your answers clearly.
 - Write neatly and legibly on both sides of the paper in the answer book, starting on the first page.
 - Structure your answers by using appropriate headings and subheadings.
 - The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.

SECTION A**[20 MARKS]****QUESTION 1**

In which of the following kind of organisations does operations management play a role?

- (i) Government
- (ii) Manufacturing
- (iii) Service
- (iv) Unions

Choose the correct answer:

- A (i) and (ii)
- B (iii) and (iv)
- C (i) (ii) and (iv)
- D (ii) and (iii)
- E (i), (ii), (iii) and (iv)

QUESTION 2

Which of the following are the major functions of operations management?

- A The function of product design; purchasing and production planning.
- B Service/product design; planning of capacity and demand; purchasing, production planning and control; quality improvement; problem solving and maintenance.
- C Product/service design; planning of capacity and demand; production system design; production planning and control; improvement; problem solving and maintenance.
- D Service design; planning of capacity and demand; production system design; production planning; improvement and problem solving.

QUESTION 3

To which of the following inputs is value added during the transformation process?

- A Capital
- B Labour
- C Equipment
- D Raw materials
- E Information

QUESTION 4

Which one of the following statements describes the concept *value added*?

- A Processes exploited to conceive and deliver goods and services at cheaper prices.
- B Additional value of a commodity over the cost of commodities used to produce it from the previous stage of production.
- C Additional value in the price of a product in comparison with competitive products.
- D Additional value added to a product when training staff to work smarter.
- E None of the above.

QUESTION 5

Deciding on the location and layout of a plant is the responsibility of _____ .

- A top management
- B middle management
- C operational management
- D all of the above

QUESTION 6

Simphiwe Curtain Creations manufactures curtains and blinds according to the design and preferences of the consumers. The enterprise would therefore use a _____ system.

- A job shop
- B batch production
- C assembly line
- D continuous process
- E project management

QUESTION 7

Katlego plans on manufacturing his shoes on a small scale with low volume of outputs. This will ensure that his label remains as exclusive as possible. Which process type for manufacturers would you recommend Dumisani implements at his plant?

- A Batch production
- B Continuous process
- C Project management
- D Assembly line
- E Job shop

QUESTION 8

The process that is used for manufacturing highly standardised products is _____.

- A continuous process
- B assembly lines
- C project management
- D batch production
- E job shop

QUESTION 9

Batch operations tend to have what kind of markets?

- A Consumers mass markets
- B Consumers markets
- C Commodity mass markets
- D Individual consumers
- E Industrial markets

QUESTION 10

Hosting the 2010 FIFA World Cup is an example of a(n) _____ process.

- A job shop
- B batch production
- C assembly line
- D continuous process
- E none of the above

QUESTION 11

_____ forecasts are objective because they are derived from mathematical calculations based on known numerical data.

- A Seasonal
- B Naïve
- C Qualitative
- D Quantitative

QUESTION 12

Mr Thabiso, a punter, phones his brother-in-law, who has been betting on the horses for years, to find out about the chances of a horse that he fancies will win. Which forecasting technique is Thabiso using?

- A Seasonal
- B Naïve
- C Expert opinion
- D Exponential smoothing

QUESTION 13

The more periods there are in simple moving average forecast, the_____.

- A more stable the forecast will be
- B more the forecast will fluctuate
- C less accurate the forecast will be
- D less stable the forecast will be
- E higher the forecast will be

QUESTION 14

Which one of the following best describes the “Gap 4” for diagnosing quality problems?

- A The customer’s specification – operation’s specification gap
- B The actual-quality – communicated-image gap
- C The concept – specification gap
- D The quality-specification – actual-quality gap

QUESTION 15

Which one of the following is an intangible reason for foreign locations?

- A Customer-related reasons.
- B Organisational learning-related reasons.
- C The firm by being physically present in the host country may gain some ‘local boy’ kind of psychological advantage.
- D The firm may avoid ‘political risk’ by having operations in multiple countries.
- E All of the above.

QUESTION 16

Which of the following are characteristics of manufacturing operations?

- (i) Output is more tangible
- (ii) More labour content
- (iii) Output is more transportable and storable
- (iv) Performance measurement is more difficult to measure

Choose the correct answer:

- A (i), (ii) and (iii)
- B (i) and (iii)
- C (ii), (iii) and (iv)
- D (iii) and (iv)
- E (i), (iii) and (iv)

QUESTION 17

The following are quality characteristics, except for _____.

- A reliability
- B durability
- C recovery
- D transferability

QUESTION 18

The three major functional areas of an organisation are _____.

- A strategy, human resources and finance
- B human resources, marketing and finance
- C operations, procurement and sales
- D operations, finance and marketing

QUESTION 19

Which one of the following statements is correct in regard to tangible reasons for foreign location?

- A Reaching both customers and suppliers for higher efficiency.
- B The host country may offer substantial higher tax advantages compared to the home country.
- C The costs of manufacturing and running operations may be substantially less in that foreign country.
- D Reaching suppliers for higher efficiency.

QUESTION 20

Which of the following factors are specific location factors for service organisation dominant factors?

- A Proximity to customers
- B Transportation costs and proximity to markets
- C Location to competitors
- D All of the above

SECTION B**[80 MARKS]****QUESTION 1****[15 MARKS]**

Use the following table to answer question 1.1

Year	2017	2017	2017	2017	2018	2018	2018	2018
Quarter	1	2	3	4	1	2	3	4
Demand	112	104	86	124	122	107	91	131

- 1.1 Make a forecast for the third quarter of 2018, using exponential smoothing with a forecast for the second quarter of 2018 of 112 and a smoothing constant (alpha) of 0.2. (5)
- 1.2 Briefly discuss any four limitations of forecasting. (4)
- 1.3 Differentiate between Delphi technique and Expert opinion. (6)

QUESTION 2**[23 MARKS]**

- 2.1 Discuss why it is important to study operations management. (8)
- 2.2 Sizwe has a small bread bakery shop in Limpopo where she employs eight employees, two cleaners and six bakers, helping with the production of bread. On average, they make 270 loaves of bread per day. She pays the cleaners R15 per hour and the bakers R70 per hour. The staff work seven hours per day, five days per week. They use 100 kilograms of flour polish per day. The cost per 10 kilograms of flour polish is R40. The electricity is R1 000 per four-week month. Calculate the total productivity. (15)

QUESTION 3**[10 MARKS]**

Discuss the differences in operations management in a service organisations and in a manufacturing organisation.

QUESTION 4**[20 MARKS]**

Briefly discuss any five **controllable** and five (5) **uncontrollable** general locational factors.

QUESTION 5**[12 MARKS]**

- 5.1 List and explain the four gaps of diagnosing quality problems. (8)
- 5.2 List at least four ways in which quality improvements can affect other aspects of operations performance. (4)

END OF ASSESSMENT