MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR

DIPLOMA IN BUSINESS MANAGEMENT

BBA 037: OPERATIONS MANAGEMENT

DATE: **TIME:**

INSTRUCTIONS: Answer Question ONE and any other TWO Questions.

QUESTION ONE

CASE: WAMUNYU DAIRY LTD QUANDARY: A QUEST FOR STABLE SUPPLY CHAIN

Below is an extract of the above case, apply it to answer questions 1a, b, and c;

Wamunyu Dairy Ltd is a dairy product processing company based in Kitui. The main sources of her raw milk are Kiambu, Molo, and Thika. The company experienced stable and reliable supply of milk until the last general election. For almost one and half months, the company supply was severely disrupted due to political chaos which affected movement of products across the counties. The management reported huge amount of losses in terms of money and market share. Some of the staff were rested and a number experienced reduced salaries. Based on this experience, the firm's manager felt something had to be done and done very fast to avoid the re-occurrence of the situation. The manager contracted you to help them out. Your mandates are:

a) To identify five products and five services which were likely affected by the interruption of supply. (10 marks)

b) To explain five measures which could have helped the firm to avoid the disruption (10 marks)

c) Given the operational environment of the firm, state any five challenges of the measured explained in b) above (10 marks)

QUESTION TWO

a) State five advantages of using a Gannt Chart as an operation management tool (10 marks)

b) Explain any three categories of production systems in textile industry (6 marks)

c) State two causes of re-engineering a product in a manufacturing firm (4 marks)

QUESTION THREE

a) Explain five disadvantages of automation in a firm processing edible oil (10 marks)

b) Explain five reasons that can make a firm introduce a new product (10 marks)

QUESTION FOUR

a) State five Decisions Operations Manager working for a construction firm Make (10 marks)

b) Explain any five principles of management applicable to retailing firms (10 marks)

QUESTION FIVE

a) Explain five reasons for studying operations management (10 marks)

b) Sate five advantages of production planning to a manufacturing firm (10 marks)