



EASTERN UNIVERSITY, SRI LANKA

Faculty of Commerce and Management

Final Year/Second Semester examination in BBA/Specialization in HRM

(2010/2011) special Repeat

MGT 4214-Operation and Quality Management

Answer all five question

Time: 03 hours

- 01) a) Define the term Operation management and explain the main activities involved under this? (6 Marks)
- b) Describe the benefits of E-Business in Operation management? (6 Marks)
- c) Explain the activities of different types of departments coming under the area of Production Management? (8 Marks)
- (Total 20 Marks)**
- 02) a) Define the term Quality and state the costs associated with Quality with appropriate examples (5 Marks)
- b) Explain the importance of research to a manufacturing organization and briefly explain the different types of research? (8 Marks)
- c) Separately point out and explain the dimensions of quality for the products and services? (9 Marks)
- (Total 22 Marks)**
- 03) a) Distinguish between a fixed-order-quantity system and fixed-time-period system? (4 Marks)
- b) Define the term cellular layout and list out the advantages and disadvantages of it? (8 Marks)
- c) List out the differences between product and process layout? (6 Marks)
- (Total 18 Marks)**

04) a) What do you understand by the term "Productivity" and briefly explain with appropriate examples the ways of increasing productivity in an organization? (5 Marks)

b) Explain with appropriate examples the situations under which independent and dependent demand arises (6 Marks)

c) Define the term Material Requisition Planning (MRP) and explain its advantages and disadvantages to a manufacturing organization (9 Marks)

(Total 20 Marks)

05) a) Identify current trends in Operation management and describe them? (4 Marks)

b) Explain the reasons for making assumptions for developing the basic EOQ model (4 Marks)

c) The following data is given for you:

Cost per order 20/=

Annual requisition 18,000 units

Holding cost per item per annum 10%

Normal usage 1120 units

Minimum usage 480 units

Maximum usage 1440 units

Lead time 15-20 days

Cost of a unit 5/=

You are required to calculate the followings:

- i. EOQ
- ii. Re-order level
- iii. Minimum level
- iv. Maximum level

(12 Marks)

(Total 20 Marks)