



THE OPEN UNIVERSITY OF SRI LANKA
ENTREPRENEURSHIP AND SMALL
BUSINESS MANAGEMENT PROGRAMME
FINAL EXAMINATION – 2007/2008
MCC 1105 – INTRODUCTION TO OPERATIONS MANAGEMENT
DURATION : TWO (02) HOURS

Date : 27th January 2008

Time: 10.00 a.m. – 12.00 noon

ANSWER ANY FOUR QUESTIONS. ALL QUESTIONS CARRY EQUAL MARKS.

01. a) “All the organizations engage in some sort of production irrespective of its size of output”. Describe the process of production giving an example from any organization that you are familiar with.
(12 Marks)
- b) Assume that you intend to manufacture a certain product. Explain how you will plan, organize and control the said manufacturing activity.
(13 Marks)
02. a) Product development has to go through different stages. Explain the main stages of product development with a suitable example.
(13 Marks)
- b) “At present different technologies are available for the manufactures to get the production done”. Explain the factors taken in to consideration in selecting suitable technology/technologies for a production?
(12 Marks)
03. a) Assume that you are going to start a factory for producing a certain product to be supplied to the local market. What are the factors that you would consider when searching for a suitable location for the factory.
(15 Marks)
- b) Explain the types of plant layouts that you may observe in the different manufacturing organizations?
(10 Marks)

04. a) What is the importance of the cost estimation for a manufacturer?
(06 Marks)
- b) Following cost details have been given for the manufacture of a wooden chair. You are required to show the cost estimation for one unit.
- Timber used – 10 units of 150/- each.
 - Carpenters employed – 2 carpenters worked for 2 days. Wage rate was 300/= per day per each of the carpenters employed.
 - Other costs incurred for a chair.

Electricity	150/=
Other inputs	100/=
Fuel	200/=
- (09 Marks)
- c) “Production control is important for various reasons, specially to ensure that things are going on as scheduled”. Explain at what stages of production, a manufacturer can put controls?
(10 Marks)

05. Write short notes on any five (05) from the following.

- a. Evolution of Manufacturing
- b. Make or Buy decision
- c. Work measurement
- d. Quality control
- e. Flow charts
- f. Necessity of demand information to the producers.

(5 each x 5 = 25 marks)

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