The Open University of Sri Lanka
Certificate in Small Business Management and Entrepreneurship
Final Examination – 2009/2010
Introduction to Operations Management (MCC- 1105)
Duration – Two (2) Hours

| DATE: 12th December 2009 | TIME: 10.00 a. m- 12.00 noon |

Instructions
Answer any <u>four (4)</u> questions. All questions carry equal marks.
Non programmable calculators are allowed to use.

Q1)
   a. Explain as to how the knowledge of operations management would contribute to the entrepreneurship development in Sri Lanka. (12 Marks)
   b. Describe the operation system of any production that you are familiar with. Use a suitable illustration to support your answer (13 Marks)

Q2)
   a. Manufacturers require marketing related information to make various decisions. Identify and explain as to what types of marketing information manufacturers require. (12 Marks)
   b. Select any product or service of your choice and describe how you would design it. (13 Marks)

Q3)
   a. Explain the stages of process planning with a suitable example (12 Marks)
   b. Design of the plant layout influences on various aspects of the manufacturing activity. Discuss the key benefits expected from a good plant layout. (13 Marks)

Q4)
   a. Productivity is one of the major concerns for the entrepreneurs in Sri Lanka. Explain the factors affecting the productivity of the manufacturing organizations of the Sri Lankan entrepreneurs. (10 Marks)
   b. Suren produces shirts for the local market. Following cost details are furnished for the production of a shirt. You are required to prepare the cost estimation sheet for one shirt.
     • Clothes consumed– 2 meters of Rs.150/= each.
     • Tailors employed - 2 tailors have to work and each of them has to work for 3.5 hours. Wage rate is Rs.35/= per each hour employed.
     • Other costs incurred for a shirt
        Electricity   Rs.40 /=
        Minor materials and other production expenses   Rs.32/= (12 Marks)

   c. If the Suren adds a profit margin of 40% with the production cost estimated in 4) b, what would be the selling price of a shirt? (3 Marks)

Q5) Write short notes on any **five (5)** from the following
  a. Evolution of operations management
  b. Product engineering
  c. Work measurement
  d. Production planning
  e. Inventory control
  f. Uses of the Internet to manufacturers   (5 each x 5 = 25 Marks)