THE OPEN UNIVERSITY OF SRI LANKA
MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOUCE MANAGEMENT PROGRAMME
OSP9333 / MSP9333– OPRATIONS MANAGEMENT
FINAL EXAMINATION – 2023/2024
DURATION – THREE (03) HOURS

Date: 03 November 2024 **Time: 1.30 pm to 4.30 pm**

Note to the students:

- Answer ANY FIVE questions.
- Answers should be focused and methodical.
- This question paper has 7 Questions in 3 pages.

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1. a) Explain the key differences between goods and services. Examine how the distinct characteristics of goods and services shape key operations management processes, such as forecasting, production planning, capacity planning, layout design, inventory management, procurement, and quality assurance. *(12 marks)*

   b) As an HR manager, outline the operations management-related measures that can enhance the service quality of an HR department. Discuss specific measures, such as streamlining recruitment processes, implementing effective capacity planning for HR staff, improving forecasting for workforce needs, optimizing layout design for better client interactions, and managing quality, to improve overall HR service levels *(08 marks)*

   [Total 20 marks]

2. a) With relevant examples and illustrations, explain the key components influencing demand: trends, seasonal effects, business cycles, and random variations. Discuss each component's impact on demand patterns, providing suitable examples. *(12 marks)*

   b) Explain the significance of forecasting for an HR manager and how it supports effective workforce planning. Discuss why an understanding of key demand factors—such as trends, seasonal effects, business cycles, and random variations—is essential for an HR manager when planning HR functions. *(08 marks)*

   [Total 20 marks]

3. a) With justifications, recommend the most suitable production system for the following.
   (i) A fabric knitting plant
   (ii) A chemical manufacturing plant
   (iii) A pharmacy
   (iv) A small furniture company specializes in manufacturing custom furniture
   Your answer should consider the quantity, unit cost of production, ability to make customized outputs and ability to maintain quality standards with the stated production system.
   (12 marks)

   b) Using relevant illustrations, describe different types of plant layouts commonly used in manufacturing organizations. Discuss each layout type highlighting their unique characteristics, advantages, and typical applications *(08 marks)*

   [Total 20 marks]

4. a) Describe the concept of quality management and its significance for an operations manager. *(04 marks)*

   b) With suitable examples describe any three quality tools. *(06 marks)*

   c) Explain how improvements in the quality of products or services impact an organization's revenue, cost, and profit. In your answer, provide examples of both manufacturing and service industries to illustrate the following points:
   - Revenue - How does improved quality influence customer satisfaction, market share, and customer loyalty, thereby affecting the organization's revenue?
   - Cost - Describe how better quality management can reduce costs associated with poor quality of products or services. How do these cost savings contribute to overall profitability?
   - Profit - Explain how the combination of increased revenue and reduced costs from quality improvements ultimately impacts the profit margins of the organization. *(10 marks)*

   [Total 20 marks]

5. a) Using relevant illustrations, explain the 'chase strategy,' 'level strategy,' and 'mixed strategy' approaches utilized in aggregate production planning. Describe how the mixed strategy combines elements of both to balance key decision making parameters of the aggregate planning. *(12 marks)*

   b) Explain the following manufacturing decisions with suitable examples.
   (i) Make or buy
   (ii) Outsource excess capacity *(08 marks)*

   [Total 20 marks]

6. a) "Job design optimizes work processes to enhance value creation and maximize performance." Describe the job design task in the context of operations management. *(08 marks)*

b) Explain the importance of work study at workplaces. Describe the components of work study, i.e., 'work measurement' and 'motion study' and, the benefits of using these activities at workplaces. *(12 marks)*

[Total 20 marks]

7. Explain **any TWO** (2) of the following with suitable examples and illustrations when necessary. *(10 marks each)*

a) Supply chain management and its crucial role in achieving operational strategies.

b) Lean manufacturing and the benefits of adopting lean manufacturing principles.

c) Costs of quality.

[Total 20 marks]

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