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University Examinations 2014/2015

FOURTH YEAR SECOND SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF COMMERCE

AND

THIRD YEAR FIRST SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR
OF PURCHASING AND SUPPLIES MANAGEMENT

BFB 3358: PRODUCTION AND OPERATIONS MANAGEMENT

DATE: AUGUST 2015

TIME: 2 HOURS

INSTRUCTIONS: Answer question *one* and any other *two* questions

QUESTION ONE (30 MARKS)

- a) Distinguish between the following
- (i) Production management and operation management (2 Marks)
 - (ii) Job shop production and batch production (2 Marks)
 - (iii) Mass production and continuous production (2 Marks)
- b) Highlight four factors encouraging standardization (4 Marks)
- c) Describe the following four components of operations, planning and scheduling system:
- (i) App (2 Marks)
 - (ii) MPS (2 Marks)
 - (iii) CRP (2 Marks)
- d) Describe with examples the four major product strategies available to global marketers (4 Marks)

e) Assuming a new medical facility is to be located in Meru County. The location factors, factor relating and s.. for two potential sites (Kanyakine and Mitunguu) are shown in the following table

S/N	Location Factors	Factor ratings	Rating	
			Kanyakine	Mitunguu
1	No of patients	10	4	4
2	Emergency trip	7	5	2
3	Facility utilization	8	5	4
4	Employee preference	5	2	1
5	Cost of land	5	6	3

Calculate the best location based on factor rating method (10 Marks)

QUESTION TWO (20 MARKS)

a) Explain the main objectives of a plant layout (10 Marks)

b) Describe five principles of plant layout (10 Marks)

QUESTION THREE (20 MARKS)

Discuss how the following have contributed to effective production and operations management recent years

(i) Just In Time (JIT) (5 Marks)

(ii) Total Quality Management (TQM) (5 Marks)

(iii) Six sigma (5 Marks)

(iv) Quality circles (5 Marks)

QUESTION FOUR (20 MARKS)

- a) Despite high costs of Safaricom air-time, over 80% of Kenyans use Safaricom inspite of other airtimes like Orange and YU charging less. A market survey has shown that people in Kenya consider it to be a product of superior quality. Outline five features that may make customers arrive at this conclusion (10 Marks)
- b) Using the product life cycle curve. Explain how Equity Bank can retain its market (10 Marks)

QUESTION FIVE (20 MARKS)

- a) Explain five reason as to why production and operations managers should take forecast seriously (10 Marks)
- b) Describe the five phases of production evolution (10 Marks)