

**MASTER OF BUSINESS ADMINISTRATION  
THIRD SEMESTER  
PRODUCTION AND OPERATION MANAGEMENT  
MBA-302**

Duration: 3 Hrs.

Marks: 70

PART : A (OBJECTIVE) = 20  
PART : B (DESCRIPTIVE) = 50

[ PART-B : Descriptive ]

Duration: 2 Hrs. 40 Mins.

Marks: 50

**[ Answer question no. One (1) & any four (4) from the rest ]**

1. a. Differentiate between production management and operation management. (5+5=10)  
b. Explain how the following factors help improve the competitiveness of a manufacturing organization:
  - i) Low production costs.
  - ii) On time deliveries.
  - iii) High quality products/services.
  
2. With change in consumer behavior and growing competition, production patterns have also changed. Describe the recent trends in production management and why is it important for producers to adopt them? (10)
  
3. a. Describe two common approaches to scheduling service operations. (4+6=10)  
b. What is "make or buy analysis"? Discuss two factors to be considered in make-or buy decisions.
  
- a. What are the different models in facility location? Describe any one of them. (6+4=10)  
b. A company has to decide on the location of a new plant. It has narrowed down the choice to 3 locations A, B and C. Data in respect of which is furnished below.

Data	Locations		
	A(Rs)	B(Rs)	C(Rs)
Wages and Salaries	20,000	20,000	20,000
Power and water supply	20,000	30,000	25,000
Raw material & other supplies	80,000	75,000	60,000
Total initial investment	2,00,000	3,00,000	2,50,000
Distribution Expenses	50,000	40,000	60,000
Miscellaneous expenses	40,000	25,000	30,000
Expected sales per year	2,25,000	2,50,000	2,25,000

Use a suitable criterion and advise the company on the best choice.



5. a. Briefly explain the steps in layout planning. (4+6=10)  
 b. Give the meaning of:  
 i. Templates ii. Process charts iii. Process flow chart
6. a. How does production planning and control change in three types of production? Explain with reference to the differences in the three types of production. (6+4=10)  
 b. Distinguish between scheduling and routing.
7. a. Distinguish between inspection & quality control. (6+4=10)  
 b. Construct  $\bar{x}$  - R chart for the following data.

Sample number	Sample mean	Sample range
1	21.5	2.1
2	22.2	1.1
3	22.7	0.4
4	22.5	1.3
5	23.5	1.6
6	21.6	2.5
7	22.1	3.5
8	22.9	3.8
9	22.1	3.7
10	22.9	2.1

Assume values of constants  $A_2=0.58$ ,  $D_3=0$ ,  $D_4=2.11$

8. a. Bring out the organizational arrangement for inventory control. (6+4=10)  
 b. Distinguish between "Big JIT" and "Little JIT".

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**[ PART-A : Objective ]**

**Choose the correct answer from the following:**

**1×20=20**

1. Production Management deals with:
  - a. Decision making.
  - b. Supply chain management.
  - c. Determining standard time.
  - d. All of the above.
2. \_\_\_\_\_ is the power of satisfying human needs.
  - a. Quality
  - b. Motivation
  - c. Utility
  - d. Money
3. A mission and vision statement of an organization is a part of:
  - a. Strategic decision.
  - b. Short term decision.
  - c. Annual report.
  - d. Marketing report.
4. Which of the following services is not unique, i.e., generally not customized to a particular individual's needs?
  - a. Hairdressing.
  - b. Elementary education.
  - c. Legal services.
  - d. Dental care.
5. The production function shows the technological or engineering relationship between:
  - a. Manufacturer and retailer.
  - b. Input and output.
  - c. Cost and savings.
  - d. Production and operations.
6. Identify the person who is not associated with scientific management.
  - a. Gantt
  - b. Emerson
  - c. F.W. Taylor
  - d. Mary Follet
7. Control decisions relate to:
  - a. Day to day activities.
  - b. Production processes only.
  - c. Services only.
  - d. None of the above.
8. Which of the following questions is not relevant in making a facility decision?
  - a. Where should the capacity be located?
  - b. When is the capacity needed?
  - c. What kind of capacity needed?
  - d. How much of capacity is needed?
9. Which of the following departments is not directly affected by the facilities location decision?
  - a. Production/operations
  - b. Marketing
  - c. Personnel
  - d. None of the above
10. Ship building and construction of dams and bridges are typical examples of:
  - a. Fixed position layout.
  - b. Functional layout.
  - c. Product layout.
  - d. None of above.
11. What human values would you consider in the layout of:
  - a. a process plant
  - b. a reading room of a library
  - c. a hospital
  - d. a primary school
12. An investment that pays a fixed number of Rupees per year for a limited number of years is called:
  - a. a good investment.
  - b. a perpetuity.
  - c. an annuity.
  - d. None of these.
13. The aggregate production plan spans:
  - a. Short time horizon.
  - b. Intermediate time horizon.
  - c. Long time horizon.
  - d. None of these.
14. Objectives of product design are:
  - a. To achieve the desired product quality.
  - b. Product layout.
  - c. Cost reduction.
  - d. None of these.



15. Strategic management offers the benefits of:
- Financial.
  - Non financial.
  - Both financial and non financial.
  - None of these.
16. The term "inventory" originates from the French word:
- Inventaire
  - Inventariom
  - Both a) and b)
  - None of these
17. Break -even Analysis focuses on relationship between:
- Cost revenue and volume output.
  - Cost revenue and variable cost.
  - Fixed cost and volume output.
  - None of these.
18. Fast food restaurants can close off when demand is low (between 3 pm to 5pm). During this closeoff period, the employees can perform other activities in preparation for peak demand. This strategy in scheduling is known as:
- Cross- training.
  - Sharing Capacity.
  - Adjustable Capacity.
  - All of these.
19. \_\_\_\_\_ is the philosophy of operation management that seeks to eliminate waste in all aspects of a firm's production activities.
- TQM
  - Little JIT
  - Big JIT
  - TQM
20. JIT system was first implemented most successfully at the:
- TATA Motor Company.
  - Toyota Motor Company.
  - Maruti Motor Company.
  - None of these.