



KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2017/2018

DIGITAL SCHOOL OF VIRTUAL AND OPEN LEARNING

SECOND SEMESTER EXAMINATION FOR THE DIPLOMA IN PROJECT
MANAGEMENT

BMS 035: OPERATIONS MANAGEMENT

DATE: Monday 18th June 2018

TIME: 11.00a.m -1.00p.m

INSTRUCTIONS: Answer Question ONE and any other TWO questions

QUESTION ONE

- (a) Layout planning is deciding on the best physical arrangement of all resources that consumes space within a facility. The arrangement of resources in a facility can significantly affect the productivity of a business. Briefly explain the four types of layouts [8 Marks]
- (b) Facility location is determining the best geographic location for a company's facility. They require long-term commitments in buildings and facilities, which means that mistakes can be difficult to correct. These decisions require sizable financial investment and can have a large impact on operating costs and revenues. Briefly explain SIX factors to consider in locating facilities [12 Marks]
- (c) Product or service design has typically had strategic implications for the success and prosperity of an organization. Consequently, decisions in this area are some of the most fundamental that managers must make. Discuss the differences between Service Design and Product Design [10 Marks]

QUESTION TWO

- (a) Forecasting is primarily a prediction of how the company will perform over the next fiscal year, utilizing past history and projected income and expenses. Describe the steps in the forecasting process [10 Marks]
- (b) Capacity planning is concerned with defining the long-term and the short-term capacity Needs of an organization and determining how those needs will be satisfied. Discuss the importance of capacity planning to an organization [10 Marks]

QUESTION THREE

- (a) The goal of aggregate planning is to achieve a production plan which will effectively utilize the organization's resources to satisfy expected demand. Briefly explain the characteristics of aggregate planning [10 Marks]
- (b) Discuss the factors that affect productivity within a business organization [10 Marks]

QUESTION FOUR

- (a) Process selection refers to deciding on the way production of goods or services will be organized. Briefly explain the five process types [10 Marks]
- (b) Briefly explain the various ways in which operations influences competitiveness of an organization [10 Marks]