



KENYATTA UNIVERSITY

UNIVERSITY EXAMINATIONS 2019/2020

**SUPPLEMENTARY/SPECIAL EXAMINATION FOR DIPLOMA IN BUSINESS
ADMINISTRATION**

BMS 062: PRODUCTION AND OPERATIONS MANAGEMENT

DATE: Tuesday, 8th June 2021

TIME: 8.00 a.m. - 10.00 a.m.

INSTRUCTIONS:

Answer Question ONE and any other TWO questions.

QUESTION ONE (30 marks)

- (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 (20 marks)

- (a) 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]

- (b) One of the primary responsibilities of a manager is to achieve productive use of an organization's resources. Productivity is an index that measures output relative to the input used to produce them. Discuss the various factors that affect productivity in a firm. [10 Marks]

QUESTION THREE (20 marks)

- (a) 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. Using a product of your choice, describe the Product Design Process [10 Marks]
- (b) A supply chain is the sequence of organizations; their facilities, functions, and activities that are involved in producing and delivering a product or service. Discuss the need for supply chain management to a business organization [10 Marks]

QUESTION FOUR (20 marks)

- (a) Process selection refers to deciding on the way production of goods or services will be organized. It has major implications for capacity planning, layout of facilities, equipment, and design of work systems. Discuss four process types that an organization can adopt to manage its operations [10 Marks]
- (b) Briefly explain SIX ways in which operations influences competitiveness of an organization [10 Marks]