



CII Institute of Logistics
PGDSCM & Certificate Programs
Semester-end Examination – December 2008

Operations Management I

Time : Three Hours

Marks : 100

Part A

Answer all questions (20 x 1 = 20 Marks)

1. Which one of the following is not the direct objective of Operations Management
 - a. Cost reduction
 - b. Capacity utilization
 - c. Labour productivity
 - d. Customer relationship management
 - e. None of the above
2. Work that concentrates on some aspect of a product or service is called
 - a. Specialization
 - b. Job enrichment
 - c. Job analysis
 - d. Motivation
3. Which of the following is not a demand forecasting technique
 - a. Time Series Analysis
 - b. Regression Analysis
 - c. Pareto Analysis
 - d. Exponential Smoothing
4. The goal of ABC analysis is to
 - a. Determine the profitability of items
 - b. Estimate average volume per dollar value
 - c. Estimate dollar value per pound
 - d. To identify the A items for Better inventory Control
5. Time study and method study combined together is called as
 - a. Motion study
 - b. Therbligs study
 - c. Work study
 - d. All the above
6. A pattern of continuous increase or decrease in values of demand is called as
 - a. Cyclical
 - b. Seasonal
 - c. Trend
 - d. Average
7. A Gantt chart is used for
 - a. Cost volume profit analysis
 - b. Investment analysis
 - c. Scheduling
 - d. Method study
8. Man-machine chat can be used for
 - a. Method study
 - b. Scheduling
 - c. Project management
 - d. MRP
9. Which of the following is an example of a time series forecasting technique
 - a. Survey analysis
 - b. Delphi method
 - c. Trend adjusted exponential smoothing
 - d. Market research
10. Lead time variability and demand variability are considered as zero in
 - a. MRP model
 - b. EOQ model
 - c. ABC model
 - d. None of the above
11. Dependent demand items can use one of the following for effective inventory control
 - a. HR Planning
 - b. MRP
 - c. ECR
 - d. GDP

12. X-Bar chart is used to control
 - a. central tendency of the variable
 - b. Dispersion of the variable
 - c. No. of defects
 - d. All the above
13. 'A' class items are those, whose annual consumption value is high (TRUE/FALSE)
14. When using ABC analysis, class C items should be reviewed frequently (TRUE / FALSE)
15. Production function is found manufacturing concern only (TRUE / FALSE)
16. Acceptance sampling is used to control quality while buying materials (TRUE/FALSE)
17. Material Requirement Planning is the basis for Capacity Planning (TRUE / FALSE)
18. 'A' class items are those, whose unit price is high (TRUE/FALSE)
19. EOQ is used when independent demand needs to be estimated (TRUE/FALSE)
20. The inverse of the production rate is the cycle time of the production line (TRUE/FALSE)

Part B

Answer all the four

(4 x 10 = 40 marks)

1. Use the following table and answer the questions:

MPS SCHEDULE

Lead Time = 0	On Hand Inv = 30	Lot size = 25	Safety stock = 0	Demand time fence = 0 Planning time fence = 6
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Period	1	2	3	4	5	6
Forecast	20	20	20	20	20	20
Projected available balance	10	15	20	0	5	10
MPS		25	25		25	25

- a) How long is the planning period and how many production runs will be scheduled in response to demand ?
 - b) Does the capacity appears to be fully utilized during the 6 week planning period ?
2. a) Why scheduling is important? What are the benefits of scheduling ?
b) What are the benefits of quality control?
 3. a) What are the benefits and requirements of MRP?
b) What are the objectives of scheduling ?
 4. a) What are the benefits of sound job design with respect to the organization and to the staff members?
b) Write short notes on (i) Method Study (ii) Work Measurement

Part C

Case study :

Can India Become A Global Automobile Manufacturing Hub?

On December 19, 2006, the President and CEO of Honda Motors Co. Ltd. said that the company would launch a small car in India and that by the end of 2010, it planned to manufacture and sell over 150,000 cars in India on an annual basis.

