



FINAL
Examination Paper

(COVER PAGE)

Session : AUGUST 2017

Programme : Diploma in Business (DIB)

Course : MGT2100: Operations Management

Date of Examination : 7 December, 2017 (Thursday)

Time : 5:00 pm – 7:00 pm Reading Time : Nil

Duration : 2 Hours

Special Instructions :

Answer any FOUR (4) questions.

Materials permitted : Non-programmable Calculator

Materials provided : Nil

Examiner(s) : Lim Ghee Hean, Cedric Choong, Kathleen Elaine, Ah Huai

Moderator : Dr Rajendran Muthuveloo

This paper consists of 4 printed pages, including the cover page

DIPLOMA IN BUSINESS PROGRAMME (DIB)
MGT2100: OPERATIONS MANAGEMENT
FINAL EXAMINATION: AUGUST 2017 SESSION

Instruction: This paper consists of **SIX (6)** questions. Answer any **FOUR (4)** questions in the answer booklet provided. All questions carry equal marks.

Question 1

- (a) Competitive advantage implies the creation of a system that has a unique advantage over competitors. Briefly describe **THREE (3)** strategies for competitive advantage. (6 marks)
- (b) Briefly describe the difference between mission and strategy. (1 marks)
- (c) Globalization has led to valuable, world-wide cross-cultural understanding and the fruitful exchange of products and ideas. It is inevitable for businesses to consider globalization as part of their strategy for growth.

Briefly explain **SIX (6)** reasons for businesses to globalize. (18 marks)

Question 2

- (a) List the **FOUR (4)** stages of Product Life Cycle. (4 marks)
- (b) How does a specific stage in a product life cycle affect its product strategy? In particular, describe how one product in growth and another in maturity might have different product strategies. (6 marks)
- (c) Identifying product opportunities should be the core force driving companies that manufacture products, supply services, and process information. A product opportunity exists when there is a gap between what is currently on the market and the possibility for new or significantly improved products that result from emerging trends.

Identify and explain with an example any **FIVE (5)** factors that influence new product opportunities. (15 marks)

Question 3

- (a) For a good layout, there are several factors need to be considered before designing the layout. List and explain the **FIVE (5)** factors. (10 marks)
- (b) List and explain **FIVE (5)** characteristics that are crucial in product layouts. (15 marks)

Question 4

- (a) Green University (GU) is considering whether or not it should outsource its housekeeping service. Currently, GU employs 400 housekeepers at an average annual wage of RM23,000.00 per cleaner with another 39 percent for fringe benefits. Annual fixed costs associated with housekeeping are RM1,365,890.00.

Alex Cleaning Services (ACS) provide housekeeping service for a fixed annual cost of RM7,300,200.00 plus a variable costs of RM12,000.00 per housekeeper required. ACS is using high technology equipment with well-trained staff, therefore, his company would need only 80% of the current employees at GU.

- (i.) Calculate the annual cost of GU using its current housekeeping staff.
- (ii.) Calculate the annual cost if GU let ACS do the housekeeping (10 marks)
- (b) Globalisation is the current trend for many businesses. However, going global has its own complications. Identify and explain **FIVE (5)** of these complications. (15 marks)

Question 5

Describe and explain the **FIVE (5)** stages of project life cycle.

(25 marks)

Question 6

(b) There are many dimensions for quality. List and explain **FIVE (5)** dimensions of quality which customers are looking at.

(15 marks)

(c) Philip Crosby developed the idea of cost of quality. Discuss the **FOUR (4)** categories of “cost of quality”.

(10 Marks)

~THE END~

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