

**Total No. of Pages : 03**

**Total No. of Questions : 09**

MBA (Executive) (Sem.-2)

## MANAGING THE OPERATION & QUALITY DIMENSION

**Subject Code : MBX-203**

**Paper ID : [74220]**

**Time : 3 Hrs.**

**Max. Marks : 60**

**INSTRUCTIONS TO CANDIDATES :**

1. **SECTION-A contains TEN questions carrying TWO marks each and students has to attempt any EIGHT questions.**
2. **SECTIONS-B consists of SEVEN questions each carrying SEVEN marks each and student has to attempt any FIVE questions.**
3. **SECTION-C is consisting of ONE Case Study carrying NINE marks.**

## SECTION-A

**Q1) Answer briefly :**

- Discuss the component of services in India's operation management sector.
- What is meant by process-product matrix?
- Briefly explain the various types of layouts.
- Discuss the significance of a Master Production Schedule.
- Explain the benefits of implementing an MRP system.
- Discuss the various steps in procurement process.
- Describe the four pillars of TQM.
- Explain the significance of Poka Yoke.
- What is meant by capacity requirement planning?
- Discuss the utility of Value engineering in manufacturing industry.

### SECTION-B

- Q2) Discuss the various trends that have changed the functioning of operations management & its strategies, over the last approximately 20 years in India.
- Q3) What are the important points to be kept in mind while designing processes? Also discuss the various issues faced while designing service processes.
- Q4) What locational factors would you keep in mind while setting up a cold drink bottling plant? Justify your answer.
- Q5) What is meant by a forecasting time horizon? What is its significance in adapting a forecasting technique? Also comment on the accuracy of forecasts.
- Q6) Discuss the significance of scheduling in manufacturing industry? Differentiate between scheduling of flow shops and that of job shops.
- Q7) Explain the concept of economic order quantity. How is it different from standard order quantity? Also discuss the limitations of both giving examples.
- Q8) List and discuss the various costs of quality. Give examples to support your answer.

### SECTION-C

- Q9) UNDERSTANDING QUALITY COSTS SYSTEM - A CASE STUDY.

The logical premise is that before the costs of quality can be identified or tracked, the elements and principles of quality must be understood by those who would both order and benefit from that tracking. If there is no wide-spread understanding of quality principles within a firm, then there will be no support for tracking the costs of quality or any use of the information that would be provided by such tracking. If a firm is producing quality products or services, that firm is carrying on quality driven activities and incurring their associated costs. Quality products mean that quality tasks and activities are present and, given that such events involve expenses and costs tracked by even the most basic accounting systems, the costs of the quality-related activities are being captured. The problem is, nonetheless, that the costs of performing quality related activities are not clearly and specifically identified either in principle or in the cost reporting process in the firm's accounting system.

The problem of determining what items should be included in the costs of quality and overcoming the lack of experienced manpower to do so (the process issue) may be addressed by bringing together (I) individuals who have knowledge of just what are the

costs of quality that can generally be incurred in a given process and (2) individuals who know what activities are being performed in the processes of the firm, regardless of the nature of those activities. In simplified terms, the quality professionals must ask operating personnel what they do in their jobs and identify which of those things are quality-driven. Bringing those people together with quality professionals who can help identify activities and tasks that are quality-driven permits identification of what activities should be included in the cost of quality. This may address the issues related to the lack of understanding of the principles of quality at all levels in the organization.

Organizations which do not see the benefit of a COQ system may be postulated to fall into the following general categories: those which do not understand COQ and those which have what they consider to be good cost systems in place and which do or do not understand COQ. For those organizations which do not understand COQ, there are many opportunities for self-education through various Quality Cost Committees etc. Organizations which have a cost system in place that is considered to be adequate may be missing an opportunity to benefit from a COQ system. Six-Sigma companies generally have a highly structured project cost system in place to assess the gains from Black Belt projects. This system, however, provides little information about the opportunities available for improvement activities which a COQ system provides. There is an opportunity for a synergistic combination of a COQ system and a Six-Sigma project cost system. If such organizations lack an understanding of COQ, then education is the first step to creating this synergistic combination. For organizations which understand COQ but are not using it, then a re-examination of their performance system is in order.

### ***Questions :***

- a. Where lies the problem of costs of quality not being clearly and specifically identified?
- b. How can the problem of determining what items should be included in the costs of quality be addressed?
- c. Why does the usually highly structured project cost system in Six-Sigma companies provide little information about the opportunities available for cost-improvement activities?