



UNIVERSITY COLLEGE TATI (UC TATI)

FINAL EXAMINATION QUESTION BOOKLET

COURSE CODE	:	BBM 2073
COURSE	:	OPERATION MANAGEMENT
SEMESTER/SESSION	:	1-2022/2023
DURATION	:	3 HOURS

Instruction:

1. This booklet contains 5 questions. Answer **ALL** questions.
2. All answers should be written in the answer booklet.
3. Write legibly and draw sketches wherever required.
4. If in doubt, raise your hands and ask the invigilator.

**DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO
THIS BOOKLET CONTAINS 3 PRINTED PAGES INCLUDING COVER PAGE**

QUESTION 1

- a) Define operation management. (2 Marks)
- b) Describe **THREE (3)** criteria for a successful operation leader. (6 Marks)
- c) List **TWO (2)** principle functions of each department in hotel operation. (12 Marks)
- i. Front office department
 - ii. Housekeeping Department
 - iii. Human resource department
 - iv. Engineering department
 - v. Food and beverage department
 - vi. Marketing and sales department

QUESTION 2

- a) Identify how this industry's sector has created a new business model. (14 Marks)
- i. Online auction
 - ii. Airline
 - iii. Retailer
 - iv. Social networking
 - v. Music/movie retailer
 - vi. Education
 - vii. services
- b) Explain **THREE (3)** how technology contributed to the growth of services. (6 Marks)

QUESTION 3

- a) Discuss **FOUR (4)** types of the cost related to quality management. (8 Marks)
- b) Explain **SIX (6)** elements of lean management that could increase the quality of production. (12 Marks)

QUESTION 4

- a) Explain **THREE (3)** functions of inventory. (6 Marks)
- b) Describe **THREE (3)** consequences of holding a large inventory. (6 Marks)

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c) Rosnah Enterprise is the corn distributor in named 'manih do'oh'. The corn is sold at RM5.00 per packet. Based on the record, the demand for 'manih do'oh' is 100,000 packets annually. The order cost for corn is RM10.00 per order and the carrying cost is RM0.50 per packet. The lead time for an order is two days. Rosnah Enterprise is operated 250 days a year. Illustrate:

- i. Economical order quantity (EOQ).
- ii. Reorder point.
- iii. Annual ordering cost
- iv. Total annual cost incurred in managing inventory. (8 Marks)

QUESTION 5

Soojook Enterprise run a food truck business decide to select new business location. The annual fixed costs and variable costs for each site are under consideration as below. Predict which location is the best if expected daily sales to be 200 packs.

Location	Fixed Costs	Variable Costs
Wing A	RM 7,000	RM 1.00
Wing B	RM 3,400	RM 5.00
Wing C	RM 2,000	RM 8.00

- a) Illustrate budgeting for each location and decide which location is the best if expected daily sales to be 200 packs. (8 Marks)
- b) Demand for ABC Soojook for the past three months:

Month	Sales
Jan	200
Feb	300
Mar	250

- i. Predict demand for the fourth month. Use three months average formula. (4 Marks)
- ii. Use three months' average to calculate for month 5 if the actual demand for the fourth month turns out to be 300. (4 Marks)
- c) Explain **TWO (2)** reasons a business needs to forecast. (4 Marks)

-----End of question-----

