

UNIVERSITY OF FORT HARE
DEPARTMENT OF APPLIED MANAGEMENT, ADMINISTRATION &
ETHICAL LEADERSHIP

OPERATIONS MANAGEMENT
BEC 214/E

MAIN EXAMINATION
2025

Time: 3 HOURS
Subject: BEC 214/E
Marks: 100

This paper consists of five pages including this cover.

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Moderator: Assoc Prof. Olabanji Oni

INSTRUCTIONS

1. Answer ALL QUESTIONS. There are six questions.
2. LABEL your ANSWER BOOKS correctly.
3. Enter the correct question number for each answer.
4. Enter the numbers of the questions answered on the front cover of your answer books.
5. Indicate the number of answer books handed in on the front cover of each book.
6. Write legibly.

2.1 A bakery, Daily Loaf, struggles with leftover bread at the end of each day. What operational strategy could reduce waste for Daily Loaf? [4 marks]

QUESTION 2 [30 MARKS]

AND

1.2 Discuss the three types of time horizons Toyota could use for forecasting. [10 marks]

1.1 Discuss the reasons why Toyota has selected lean manufacturing and just-in-time manufacturing for their operations? [15 marks]

strategic plans for opening new production plants.

Through forecasting, Toyota Company can predict the anticipated sales to yield certain profitability levels. For instance, based on the 2012 forecasts, Toyota anticipates regaining its title as the globally leading automaker by raising its sales by 2 percent. This rise is forecasted to be enhanced by the increasing international demand for Toyota-made automobiles. It is through such forecasting strategies that drive Toyota's

The effectiveness of production systems of Toyota is articulated by the fact that they merge practice and theory coherently. Investigations of the operations management approaches for Toyota reveal terms such as Kaizen, Lean Manufacturing, and Just-In-Time Manufacturing among other approaches. Faced with the challenge of meeting an appropriate mix for the production of various models of automobiles, the Toyota Company has to select an appropriate product mix that will satisfy the demand to ensure the production of the demanded automobiles cost-effectively.

Toyota's Operations Management

READ THE CASE STUDY AND ANSWER THE QUESTIONS THAT FOLLOW.

QUESTION 1 [25 MARKS]

3.1 What are two signs of poor operations management in ABC Furniture, and what could be done to address them? [12 marks]

ABC Furniture produces custom wooden tables. Recently, customers have complained about delayed deliveries and inconsistent product quality. A review showed that workers often wait for materials, machines frequently break down, and there is no standardized process for quality checks. The operations manager has not reviewed production workflow in over a year.

QUESTION 3
[12 MARKS]
READ THE CASE STUDY AND ANSWER THE QUESTIONS THAT FOLLOW.

AND

- 2.2 Fast Fix Auto notices that some mechanics are slowing down production, causing operation delays. What are these such employees known as within the operations landscape? [2 marks]
- 2.3 A factory introduces barcode scanners to track inventory in real time. What operations function is being enhanced? [4 marks]
- 2.4 Quick Clean laundry service sees delays during peak hours. What should management consider adjusting? [4 marks]
- 2.5 A warehouse tracks order-picking times and aims to shorten them. Which performance metric is being targeted? [4 marks]
- 2.6 A hospital reduces paperwork by shifting to digital records. How does this affect operations? [4 marks]
- 2.7 Meal Mate introduces a new vegan meal line but struggles with sourcing unique ingredients. Is this a logistics or supply chain challenge? Briefly discuss your answer. [4 marks]
- 2.8 A tech manufacturer outsources/subcontracts its chip production to cut costs. What is the risk of this operational decision? [4 marks]

AND

practised? [2 marks]

5.2 Based on the case study, is economies of scale or diseconomies of scale being

[10 marks]

5.1 Discuss the differences between economies of scale and diseconomies of scale?

Maxi Tech, a rapidly growing electronics manufacturer, expanded its operations to multiple sites and hired hundreds of new employees. However, production efficiency has decreased, communication between departments is poor, and decision-making is slower. Employee morale has also declined due to unclear management structures.

READ THE CASE STUDY AND ANSWER THE QUESTIONS THAT FOLLOW.

[12 MARKS]

QUESTION 5

AND

[10 marks]

4.1 What are the benefits and limitations of Tech Build's aggregate planning strategy?

Tech Build manufactures computer components with fairly stable demand throughout the year, except for a sharp increase in Quarter 4 due to holiday sales. The company uses a level production strategy, keeping a constant workforce and steady output. To meet the holiday demand, it builds up inventory during the year. However, this leads to high storage costs and inventory obsolescence.

READ THE CASE STUDY AND ANSWER THE QUESTIONS THAT FOLLOW.

[10 MARKS]

QUESTION 4

AND

END OF PAPER

[7 marks]

6.2 Discuss how an order qualifier and value-added contributes to business success.

operations. [4 marks]

6.1 Identify one order qualifier and one value-added feature in Speedy Clean's

green practices.

Speedy Clean is a commercial laundry service catering to hotels and restaurants. It offers same-day delivery, uses eco-friendly detergents, and provides customizable laundry plans. While many competitors offer low prices, Speedy Clean emphasizes reliability and sustainability. Most new clients are initially drawn to their competitive pricing, but long-term contracts are secured due to consistent service quality and green practices.

READ THE CASE STUDY AND ANSWER THE QUESTIONS THAT FOLLOW.

[11 MARKS]

QUESTION 6