



ASSOCIATE IN PROCUREMENT AND SUPPLY (APS)

LEVEL III

OPERATIONS MANAGEMENT



WEDNESDAY: 3 August 2022. Morning paper.

Time Allowed: 3 hours.

Answer ALL questions. Marks allocated to each question are shown at the end of the question. Do NOT write anything on this paper.

SECTION A

QUESTION ONE

- (a) Explain the following terms as used in operations management:
- (i) Material Requirement Planning (MRP). (2 marks)
 - (ii) Just-in-Time. (2 marks)
 - (iii) Enterprise Resource Planning (ERP). (2 marks)
- (b) Highlight FIVE differences between product and service operations. (5 marks)
- (c) Outline FIVE factors that determine the effective capacity of a facility. (5 marks)
- (d) Describe FIVE characteristics of a continuous production system. (4 marks)
- (Total: 20 marks)**

SECTION B

QUESTION TWO

- (a) Identify FIVE factors firms should consider when locating supply chain facilities. (10 marks)
- (b) Outline FIVE objectives of maintenance of facilities and equipment in an organisation. (10 marks)
- (Total: 20 marks)**

QUESTION THREE

- (a) Explain FIVE ways the procurement function contributes in the design and development of a new product. (10 marks)
- (b) Analyse the FIVE stages of the product life cycle. (10 marks)
- (Total: 20 marks)**

SECTION C

QUESTION FOUR

Case study

SWEMORY LTD.

Swemory Ltd is an original equipment manufacturer that has supplied the auto industry for over 50 years now. Swemory specialises in the production of pressing and assemblies. Pressings are usually made in a four or five operation using a separate press for each item. Once completed, the assemblies are painted and then packed into pallets and shipped out for over-night delivery to the car plant.

Swemory has been so successful as it has won so much business that it does not think it will be able to supply its products to high enough standard or within a suitable timescale. They have succeeded locally and thus they do not see the need for global operations. Recently, Swemory tendered for three long term contracts and to its surprise did not win any of them. This has prompted the senior management who play a significant role in operation decision making to hire an operations management consultant.

Terms of reference for the consultant include:

- To advise Swemory management on bench-marking.
- To advise Swemory management on local and international investment options.
- To advise Swemory on quality management.

Required:

- (a) Assess FIVE benefits Swemory Ltd. may accrue from globalizing its operations. (10 marks)
- (b) Explain FIVE reasons Swemory Ltd. should benchmark its key operations. (10 marks)
- (c) Outline FIVE roles of Swemory Ltd. management in operations decision making process. (10 marks)
- (d) Evaluate FIVE criticism of Total Quality Management (TQM). (10 marks)

(Total: 40 marks)

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