ASSIGNMENT 1ST SEMESTER : OPERATIONS MANAGEMENT (OM301)

CHAPTERS COVERED : CHAPTERS 1, 2 & 3

DUE DATE : 3:00 p.m. 18 MARCH 2014

TOTAL MARKS : 100

INSTRUCTIONS TO CANDIDATES FOR COMPLETING AND SUBMITTING ASSIGNMENTS

The complete ‘Instructions to Students for Completing and Submitting Assignments’ must be collected from any IMM GSM office, the relevant IMM GSM recognised Additional Tuition Centre or can be downloaded from the IMM GSM website. It is essential that the complete instructions be studied prior to commencing your assignment. The following points highlight only a few important notes.

1) You are required to submit ONE assignment per module.
2) The assignment will contribute 20% towards the final examination mark, and the other 80% will be contributed by the examination, however, the examination papers will count out of 100%.
3) Although your assignment will contribute towards your final examination mark, you do not have to earn credits for admission to the examinations; you are automatically accepted on registering for the exam.
4) Number all the pages of your assignment (e.g. page 1 of 4) and write your name and surname, student number and module at the top of each page.
5) The IMM GSM requires assignments to be presented in a typed format, on plain A4 paper. Unless otherwise specified, this assignment must be completed within a limit of 2500 words, excluding the bibliography. Students who exceed the word limit may find that only part of the submitted assignment will be marked.
6) A separate assignment cover, which is provided by the IMM GSM, must be attached to the front of each assignment.
7) Retain a copy of each assignment before submitting, in case the original does not reach the IMM GSM.
8) The assignment due date refers to the day up to which assignments will be accepted for marking purposes. The deadline is 3:00 p.m. on 18 March 2014. Late assignments will be accepted, but 25 marks will be deducted from the maximum mark, if received after 3:00 p.m. on 18 March 2014 and up to 5:00 p.m. the following day, after which no assignments will be accepted.
9) If you fail to follow these instructions carefully, the IMM Graduate School of Marketing cannot accept responsibility for the return of the assignment. It may even result in your assignment not being marked.

Results will be available on the IMM GSM website, www.immgs.com, on Friday, 2 May 2014.
QUESTION 1 [20]

Write a job description of no more than 400 words for an operations manager in the catering industry. Your description must at least cover the following areas:

- Brief summary of the job (4)
- Work activities (4)
- Work conditions (6)
- Career development (2)
- Skills and qualities. (4)

You must refer to relevant websites on the Internet. Students who do not refer to such websites will not receive any marks.

QUESTION 2 [20]

The following is a summary of Volkswagen’s main divisions. Visit its corporate website and describe the company’s three (3) core functions (4 marks each) and its two (2) support functions (4 marks each).

- **Research & Development**
  This is where clever minds come in: the driving force of innovation in our company.

- **Product Management**
  Turn innovative ideas into reality.

- **Purchasing**
  For those with a talent for negotiation: purchasing at Volkswagen ensures optimum supply of production materials and capital equipment across the globe.

- **Production & Logistics**
  Efficient and intelligent networking: managing our production locations worldwide is a highly complex task.

- **Quality Assurance**

- **Sales & Marketing**
  Inspire customer enthusiasm for Volkswagen: with a powerful image.

- **Controlling & Finance**
  Keep the company on track: Controlling, Accounting and Investor Relations.

- **Personnel**
  Advice, support, development opportunities: our personnel staff are always there for our employees.

- **IT & Processes**
  From car manufacturer to mobility provider: IT plays its part.

- **Group Communications**
  From person to person: transparency through open communication.

- **Legal Department**
  Between opportunity and risk: our legal experts protect our interests.

The following is one such link to Volkswagen’s corporate website:
QUESTION 3 [30]

Select a company of your choice from the Internet and explain how it applies the five (5) performance objectives (6 marks each).

The following document may be used as a benchmark and is for illustrative purposes only. **Students may not use it in their answers.**

A company should be concerned to satisfy its customers’ requirements for fast and dependable services at reasonable prices, as well as helping its own suppliers to improve services they offer. There are five basic performance objectives and they apply to all types of operation:

- Quality
- Speed
- Dependability
- Flexibility
- Cost (Slack et al., 2001).

These operations performance objectives are analysed here in accordance to TMC.

1) Doing things right by providing error free goods and services, which will satisfy the customers, is known as ‘quality’. According to the case study, Toyota’s vehicles consistently rank near the top in third-party customer-satisfaction surveys. Being voted by many market research and surveys as the car of the year for several years it shows that Toyota has a successful record worldwide. Because of the good quality Toyota’s success kept going, where in 1995, Toyota was the best car in the Middle East. Also, TMC has produced good quality cars that are quiet and do not emit unpleasant fumes, such as more than 40 emission-control systems and dozens of technologies that have improved passenger-car safety (Ahmed, 2003, Coursework).

2) Another performance objective is speed, which means by doing things fast, to minimise the time between the order and the availability of the product or service, is what gives the customer a speed advantage. The TMC’s techniques are focused operations that reduce complexity by using simple and small machines, which are robust and flexible. By rearranging layout and flow to enhance simplicity improves speed of production. On the coursework, statistics show that in the late 1980s, the output per worker was as much as two or three times higher than US or European plants.

3) The third performance objective is dependability, which means doing things in time for customers to receive their goods or services when they are promised. TMC includes ‘Just-in-time’ (JIT) production system with multi-skilled workers who work as a team, and with ‘kanban control’ has allowed them to deliver products as promised. Improving efficiency and quality is a concern not only of managers and technical experts but also of all employees. So, by doing this, TMC gives a dependability advantage to its customers.
4) A clear result of responding to a dynamic environment is that organisations change their products and services and change the way they do business. This performance objective is known as ‘flexibility’. Peters et al. (1998) argue that we must learn to love change and develop flexible and responsive organisations to cope with the dynamic business environment. In the TMC plant it means the ability to adapt its manufacturing resources so that it can launch new models. The coursework analyses that Toyota was able to achieve a high level of flexibility, producing relatively small batches of different models with little or no loss of productivity or quality. TMC during the years has provided a range of options that customers are able to choose from.

5) One major operations objective, especially where companies compete with prices is ‘cost’. Low price is a universally attractive objective to customers, which can be achieved by producing goods at lower costs. In order to ‘do things cheaply’, TMC seeks to influence the cost of goods and services, so for the future TMC has planned to shift its production of multipurpose vehicles and pick-up trucks to different countries around the world (e.g. Argentina, South Africa). Also, internally, cost performance is helped by good performance in the other performance objectives, so that TMC has managed to produce high quality vehicles at reasonable prices.

By using and improving quality, speed, dependability, flexibility and cost operations performance, TMC has seen global growth and a high percentage of customer satisfaction. Because of the success of these operation performance objectives, Japanese style (Toyotaism) of manufacturing and product development has come to be studied and emulated around the world. TMC is a world leader in supply chain management, and to keep its production at the high quality, maximum speed, on time delivery, flexibility and at the lowest cost, TMC works with its suppliers to make sure that they are also the best suppliers in the industry. Shifting its operations to different countries searching for cheap inputs (raw material and labour) makes it easier to produce products at a lower cost and good quality. Operating continentally also gives dependability advantage to its customers by making it easy to deliver its production in the market-place. Using these operation performance objectives TMC has managed to keep its customers happy and compete successfully with other companies in a global market. Analysing these characteristics it is safe to conclude that TMC is a world-class company.

Reference:
https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=8&ved=0CEsQFjAH&url=http%3A%2F%2Fhomepages.uel.ac.uk%2Fu0117602%2Fbu229.doc&ei=xQBFUrbCHYGt7QaEyYCQAQg&usg=AFQjCNEWBu9hYH3yYFdCLG1Q8PbQOdcZ0g&sig2=wnwGqMzMrNJ2Qm5XRN8E8FA
QUESTION 4 [20]

Select a company from the Internet and describe its operations strategy. Is the company using a ‘top-down’ or ‘bottom-up’ strategy? Give reasons for your choice.

Students must:
- Define operations strategy (4)
- Explain the difference between ‘top-down’ and bottom-up strategy (4)
- Describe a selected company’s operations strategy (12)

PRESENTATION [10]

ASSIGNMENT TOTAL: 100