UNIVERSITY EXAMINATIONS: 2025/2026

EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS LEADERSHIP

CEN402/BUE 4213

OPERATIONS MANAGEMENT

END TERM EXAMINATION

DATE: APRIL, 2026 **TIME: 3 HOURS**

INSTRUCTIONS: Question One is Compulsory, Choose Three Other Questions

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SECTION A (COMPULSORY)

QUESTION ONE (30 Marks) Compulsory

Case Study: Operations Challenges at Kibo Manufacturing Ltd

Kibo Manufacturing Ltd is a medium-sized manufacturing firm producing household plastic products. In recent years, the company has faced declining productivity, rising production costs, frequent machine breakdowns, and increasing customer complaints about product quality. The firm operates with outdated equipment and relies on a poorly designed plant layout that causes delays and excessive material handling.

Management has also struggled with inaccurate demand forecasts, leading to either excess inventory or frequent stock-outs. Project delays have become common due to poor scheduling and lack of proper project control techniques. In addition, quality inspections are conducted at the end of the production process, resulting in high rework and scrap costs.

The company's management has hired you as an Operations Management consultant to analyze the situation and recommend appropriate solutions.

Required:

a) Explain three operations management problems facing Kibo Manufacturing Ltd. (6 marks)

b) Analyze three causes of low productivity and high production costs in the organization. (6 marks)

c) Using operations management principles, explain how plant layout redesign can improve efficiency at Kibo Manufacturing Ltd. (6 marks)

d) Discuss three quality management approaches that could help reduce defects and customer complaints. (6 marks)

e) Recommend three project planning and control techniques that could improve timely completion of projects. (6 marks)

SECTION B

(ANSWER ANY THREE (3) QUESTIONS IN THIS SECTION)

QUESTION TWO (10 MARKS)

A newly appointed operations manager at Zuri Foods Ltd, a competitive food-processing company, is under pressure to improve efficiency and reduce operating costs.

Required:

a) Explain two measures of productivity and show how it can be used to assess the performance of Zuri Foods Ltd. (5 marks)

b) Describe three ways operations management contributes to organizational competitiveness in firms such as Zuri Foods Ltd. (5 marks)

QUESTION THREE (10 MARKS)

a) Discuss three factors considered in product design for manufacturing organizations. (6 marks)

b) Explain two process selection methods used in operations management. (4 marks)

QUESTION FOUR (10 MARKS)

Despite having modern equipment, Afya Textiles Ltd continues to experience high defect rates, customer complaints, and rising costs associated with rework and waste.

Required:

a) Explain the meaning of quality and explain two costs of quality relevant to Afya Textiles Ltd. (4 marks)

b) Explain three statistical quality control techniques that could be used to improve production quality at Afya Textiles Ltd. (6 marks)

QUESTION FIVE (10 MARKS)

a) Explain three factors considered in capacity planning in manufacturing organizations. (6 marks)

b) Describe two inventory control systems used in modern operations management. (4 marks)