



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF BUSINESS ADMINISTRATION
2024 1 EXAMINATION

COURSE CODE: MBA801

COURSE TITLE: PRODUCTION AND OPERATIONS MANAGEMENT

CREDIT UNIT: 3

- INSTRUCTIONS:**
1. Indicate your Matriculation Number Clearly
 2. Attempt question one (1) and any other three (3) questions
 3. Question one (1) is compulsory and carries 25 marks, while the other questions carry 15marks.
 4. Present all your points in a coherent and orderly manner

TIME: 2hrs 30mins

QUESTION ONE

- a. Discuss 4 importance of proximity of resources in site selection **(12MARKS)**
- b. A retail chain is considering three different states in Nigeria for the location of a new store: Oyo, Rivers, and Taraba. The company has identified three criteria that are important for the location decision: population density, purchasing power, and competition. The weights assigned to each criterion and the corresponding scores for each state are shown in the table below:

Criteria	Weight	Oyo	Rivers	Taraba
Population Density	0.4	500	750	250
Purchasing Power	0.3	80	60	70
Competition	0.3	3	5	2

- i. Based on the data provided, which state is the most suitable for the location of the new store?
(6MARKS)
- ii. Discuss 2 potential advantages and 2 limitations of this approach for site selection.
(7MARKS)

QUESTION TWO

- a. Discuss 3 similarities and 3 differences between Manufacturing and Service Operations?
(10MARKS)
- b. Provide a historical account of production and operations management with reference to Industrial Revolution
(5MARKS)

QUESTION THREE

- a. Differentiate between Strategies and Tactics in Operations? **(5MARKS)**
- b. Discuss the 5 elements of Operations Strategy? **(10MARKS)**

QUESTION FOUR

XYZ Ltd is a company in Nigeria that produces household cleaning products. The company is considering expanding its operations and is evaluating three possible states: Lagos, Oyo, and Anambra. The company has estimated the profits it could earn over the next three years at each state under different market conditions, as shown in the table below.

Profit Estimates (in Naira) for Each State Under Different Market Conditions

Market Conditions	20% increase	5% increase	10% decrease
Lagos	15,000,000	13,000,000	8,000,000
Oyo	13,500,000	12,500,000	7,500,000
Anambra	12,000,000	11,000,000	6,000,000

- (a) If the company is pessimistic and wants to choose the state that yields the highest minimum profit, which state should it choose? **(8MARKS)**
- (b) If the company wants to use the minimax regret criterion, which state should it choose? **(7MARKS)**

QUESTION FIVE

- a. Compare organisation strategy and operations strategy and explain why it is important to link them. **(10MARKS)**
- b. Define the meaning of technology and describe how best to manage it. **(5MARKS)**