**JAIPURIA INSTITUTE OF MANAGEMENT, INDORE**

**PGDM**

**SECOND TRIMESTER (Batch 2019-21)**

**END TERM IMPROVEMENT EXAMINATION, FEBRUARY-2020**

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| --- | --- | --- | --- |
| Course Name | **Operations Management**  | Course Code | **OM 201** |
| Max. Time | **2 hours** | Max. Marks | **40** |

**Q1.** For each of the product/service mentioned here, illustrate the dimensions of quality from the customers’ perspective: **(8 Marks)**

* A Laptop
* A weekend holiday in a beach resort in Goa
* A day-care center for kids
* A grocery product delivery chain

**Q2.** India furniture Mart produces a variety of offices furniture. The “Executive Secretary Desk” has been designed using modern features to facilitate long work hours. The carpentry shop in the factory works for two shifts each day with 30-minute lunch break in each shift. The average daily demand is 100 Desks. Each Executive Secretary Desk undergoes eight tasks as under: -

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Tasks | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
| Performance time (minutes) | 4 | 5 | 6 | 3 | 6 | 8 | 2 | 7 |
| Predecessors | -- | A | A | B, C | D | E | E | F, G |

 Assess the cycle time and efficiency of the assembly line? **(8 Marks)**

**Q3. “**ABF Sugar Limited” is major sugar distributer in west India. The agency distributes sugar in four markets with details below: -

|  |  |  |  |
| --- | --- | --- | --- |
| Market | Monthly Sugar Demand (MT) | X coordinate | Y coordinate |
| A | 10,000 | 15 | 35 |
| B | 12,000 | 40 | 87 |
| C | 15,000 | 98 | 25 |
| D | 16,000 | 45 | 40 |

The transportation cost is Rs. 15/MT/unit distance. **“**ABF Sugar Limited” wish to build a centralized warehouse to stock and distribute sugar. Suggest best location which will minimize total transportation cost. Also calculate the total cost. **(8 Marks)**

**Q4.** ABC Lodge is a popular 500-room hotel in the North Woods. Managers need to keep close tabs on all room service items, including a special pine-scented bar soap. The daily demand for the soap is 275 bars, with a standard deviation of 30 bars. Each bar of soap costs $2, Ordering cost is $10 per order and the inventory holding cost is $0.30/bar/year. The lead time from the supplier is 5 days, with a standard deviation of 1 day. The lodge is open 365 days a year.

* Identify the economic order quantity for the bar of soap?
* Identify the reorder point be for the bar of soap if management wants to have a 99 percent cycle-service level? (Z value at 99 percent cycle-service level is 2.33)
* Find out the total inventory cost for the above inventory policy.

**(8 Marks)**

Answer the two questions based on the Case below: -

**Case: GINGER HOTELS**

Roots Corporation Limited is a fully owned subsidiary of the Indian Hotels Company Limited (IHCL), which is part of the Tata Group. With more than 90 properties, IHCL is India’s largest hotel chain. It has been in the hospitality sector for over a century. Roots Corporation Limited operates a group of hotel under the brand name Ginger Hotels. The first hotel was launched in Whitefield, Bangalore, in June 2004. Today Ginger hotels are located in 27 cities in India.

At a glance, a Ginger hotel will appear to be very similar to any other hotel. A ginger hotel offers all the facilities that a normal hotel would offer. These include check-in facilities; rooms with a TV, and a tea/coffee maker; room services such as laundry; restaurants; digital safes; Wi-Fi connections; meeting rooms, a business center, gymnasium, car rental service, doctor on call, and currency exchange. However, the similarity ends at this level.

A Ginger hotel distinguishes itself in several ways in the manner these services are offered. Unlike other hotels, Ginger Hotels offer a limited a la carte menu in the restaurant at a nominal price. In case a guest does not like what is being offered, it is possible to call up nearby restaurants, place an order, and collect the food from “Give & take” Counter in the hotel. The rooms are compact and well maintained, and are available at a price that is much lower than the price charged by other hotels for a similar service.

“Please help yourselves” is line that can be seen on most of the brochures and booklets in a Ginger hotel, and it aptly reflects its most distinguishing feature. It is not uncommon for guests to use the self- service check-in kiosk, identify their room, and carry their luggage to the room. As soon as a guest enters in Ginger hotel, he/she will come across several operations with a self - service facility. Some elements of self-service are described here:

* **Self - Service Check In**: Upon arrival, guests can check into hotel without any assistance from the reception counter. This is possible because Ginger hotels have self – check – in kiosks.
* **Give n’ Take Counter**: Ginger hotels have a “Give n’ Take” counter that the guest can use to deliver used clothes for laundry in the morning and to collect washed clothes after 7.30 p.m. the same day.
* **Smart Get Set**: There is an ironing room on every floor in Ginger hotels, Guests can use the room for pressing their clothes. Further, there are water dispenser on each floor, from which guests can fill their bottles.
* **Smart Knick Knacks**: Ginger has installed vending machines for hot and cold beverages and packed snacks. These vending machines can be accessed round the clock, irrespective of whether the restaurant is working or not.
* **Smart Mart**: There are vending machines that supply other things such as toiletries, combs, tooth paste, hygiene products and mosquito repellants.

The company summaries “the Ginger experience” as one providing intelligent, well-thought-out facilities and services at great valve and with no frills attached

**Questions**

**Q5.** What are the operational elements of Ginger Hotels that provide the strategic dimensions to the operations? **(4 Marks)**

**Q6.** Can you propose the strategic and operational benefits that Ginger Hotels is likely to derive from the operations strategy and operation system design that it has chosen? **(4 Marks)**