**JAIPURIA INSTITUTE OF MANAGEMENT, INDORE**

**PGDM**

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

**END TERM EXAMINATION, DECEMBER-2019**

**Set B**

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

**Question 1(A):** For each of the product/service mentioned here, illustrate the dimensions of quality from the customers’ perspective: **(6 Marks)**

* A Laptop
* A weekend holiday in a beach resort in Goa
* A day-care centre

**Question1(B):** Why does JIT manufacturing require changes in manufacturing architecture? What are they key changes made to a manufacturing system for JIT Manufacturing?  **(4 Marks)**

**Question 2 (A):** South India furniture Inc. produces all types of offices furniture. The “Executive Secretary” is a chair that has been designed using ergonomics to provide comfort during long work hours. The chair sells for Rs 5000. There are 480 min. available during the day, and average daily demand has been 50 chairs. There are eight tasks. **(5 Marks)**

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Task | A | B | C | D | E | F | G | H |
| Performance time (min.) | 4 | 7 | 6 | 5 | 6 | 7 | 8 | 6 |
| Predecessors | ---- | ---- | A, B | C | D | E | E | F, G |

Assess the cycle time and efficiency of the assembly line? What are the ways to increase efficiency of assembly line?

**Question 2 (b):** A retail store had sales of Rs. 450000 in November and Rs. 560000 in December in Nagpur. The store employs eight full-time workers who work a 40-hour week. In November the store also had seven part-time workers at 10 hours per week, and in December the store had nine part-timers at 15 hours per week (assume four weeks in each month). Which month is good for store and why? **(5 Marks)**

**Question 3 A:** 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. Ordering cost is $10 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? **(3 Marks)**
* 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) **(3 Marks)**

**Question 3 B:** Manager of an automobile garage in Mumbai has built a good reputation and more and more customers throng to his garage. Utilization of the facility is 88%. He has been getting more and more request for automobile servicing. Propose your suggestion to the manager related to expansion and gaining competitive edge **(4 Marks)**

**Question 4**: Based on the Case (Ginger Hotels), answer the two questions. Each question is of **5 Marks**.

**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 in the 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**

1. What are the operational elements of Ginger Hotels that provide the strategic dimensions to the operations? **(5 Marks)**
2. 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? **(5 Marks)**