

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 4 – EXAMINATION – SUMMER 2019

Subject Code: 2841102

Date: 06/05/2019

Subject Name: Strategic Operations Management

Time: 10:30 AM To 01:30 PM

Total Marks: 70

Instructions:

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.

6

Q.1 (a)

Objective Questions

A strategy is a set of plan designed for _____ competitive advantage.

1. A. Short – term B. Medium – term
C. Immediate D. Long – term

Two different viewpoints on operations strategy are the market-driven view and the _____ based view

2. A. Operations B. Finance
C. Resource D. Capability

Operations Management is a _____ process.

3. A. Translation B. Transformation
C. Transaction D. Transition

What does ERP stand for?

4. A. Enterprise research B. Expanse
planning resource project
C. Enterprise resource D. Enterprise
performance resource
planning

Recyclability of materials is an environmental issue concerned with which operations management decision area?

5. A. Layout of facilities B. Product or
service design
C. Network design D. Inventory
planning and
control

The main role of the operations function within the organization is to:

6. A. Do what the market B. Produce
requires products and
services
C. Implement, support D. Make things
and drive strategy cheaply

Q.1 (b) Answer in brief: Explanation of Terms /Concepts with Practical examples.

04

1. Order winners and order qualifiers
2. Downsizing
3. Focused manufacturing
4. Time to market

- Q.1 (c)** Explain in brief the differences between goods and services. **04**
- Q.2 (a)** Briefly explain the role of operations in organizations. Which are the recent trends encouraging focus on operations? **07**
- (b)** Which are the key operations management decisions? Explain in brief about each, with examples. **07**
- OR**
- (b)** Explain the role of technology in operations with examples. **07**
- Q.3 (a)** Explain the concepts of value and waste. How do lean systems help in eliminating waste? **07**
- (b)** Imagine a simple manufacturing value chain. How will you make value flow across the chain? **07**
- OR**
- Q.3 (a)** Explain the meaning of a process. Which are the generic types of processes? Which are the factors affecting choice of process type? **07**
- (b)** Imagine a garment manufacturer. What shall be the business implications of the manufacturer's choice of process? **07**
- Q.4 (a)** Explain the make or buy decision dilemma in detail, along with relevant merits and demerits. **07**
- (b)** Which are the key performance indicators? Explain in brief about each one of them. **07**
- OR**
- Q.4 (a)** What is benchmarking? Explain the various types of benchmarking. **07**
- (b)** Which are the various issues in determining capacity of services? Support your answer with relevant and adequate examples. **07**

Q.5

Anchor Electricals:

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Anchor Electricals aims to be a digital frontrunner in the manufacturing industry in India. To achieve this goal, they needed high-availability of services to end users ensuring continuous production in factories, which would free up IT teams to focus on innovation and strategic initiatives. Anchor Electricals, a subsidiary of the Panasonic Group, is one of India's largest domestic manufacturers of electrical construction materials. They manufacture a range of innovative electrical, lighting and ventilation products. Anchor Electricals wanted to improve the service provided to their end users while keeping disruption to a minimum. However, it was hampered by frequent downtime at its 44 production plants across the country, caused by ageing infrastructure and an inefficient support model, resulting in lost revenue. With its small IT team kept busy dealing with daily IT operational issues and escalations, the team didn't have time to focus on innovation and strategic initiatives. The lack of tools to enable proactive monitoring and management of the infrastructure also meant that the IT team couldn't provide effective support.

Anchor Electricals consolidated and seamlessly migrated 45 applications across 44 sites to a scalable private cloud environment to meet business growth objectives. A stable hybrid IT support model covering the network and the data centre optimizes operations and provides 24/7 support. A hybrid IT support model underpins the existing infrastructure and optimises data centre and network operations. The model offers them complete visibility of their IT operations in the form of granular monitoring, control and reporting, measured against set business outcomes. With 99.9% uptime and 24/7 support across all its operations, including manufacturing facilities, warehouses and offices, all services are available to end users at any point in time.

Operational efficiency across the data centre, network, security and cloud mean that critical IT resources are freed up to drive innovation. Anchor Electricals is now able to execute its digital strategy and become more competitive. As a result of their implementation of an optimized and automated support system, Anchor Electricals is set to meet its target for revenue growth, partly due to an expected 10% reduction in operational costs. There's also been a 15% reduction in risk by shifting from its existing IT operations management strategy to a more focused, predictive and proactive management approach. With automation, Anchor Electricals has experienced up to 25% improvement in performance as a result of reduced downtime. They've also seen an improvement of between 15% and 20% in internal customer satisfaction because of the reduction of escalations and customer complaints. Anchor Electricals can now focus on digital initiatives that will enable to double revenue targets.

Q.1) Discuss the situations which led to the revamping of the IT infrastructure at Anchor.

Q.2) Discuss the role of IT in operations management in the modern business environment.

OR

Q.5

Deloitte – Removing operational deficiencies of an major Energy Utility Firm

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The Challenge:

A major energy utility identified a number of operational deficiencies in a recent productivity review. The company wanted to halt the erosion of value by refocusing the business to be more effective and efficient in the way it operates in its current markets and to capitalize on the disruptive change that will affect the business going forward. In doing so, the company set a notional cost reduction target of over 20% and sought help from a professional service provider to achieve this target through the implementation of a new operating model

How Deloitte helped?

Building on the initial productivity review, Deloitte designed a set of initiatives focused on developing and validating a target operating model, improving the effectiveness of processes and developing capability to increase revenue.

The new operating model for the energy provider was designed with a number of objectives:

- Lowest-cost position (through cost reduction, optimal use of assets, optimal service and capability development)
- Flexibility to scale up or down effectively
- Phased performance improvement

During the engagement, Deloitte used a range of methods, including benchmarks and workload analysis, to develop and validate the organizational sizing and indicative savings of a revamped organization. Deloitte then used a Value Driver Tree to identify key process areas to improve the end-to-end processes across the business. In addition, Deloitte performed end-to-end process analysis to identify areas of inefficiency and to inform future process design and transition approach. Furthermore, Deloitte worked with the business closely through the transition of all level 1 to 4 roles, successfully implementing the new business model and associated organization structure whilst Business As Usual was fully supported.

Value delivered:

The new operating model provided the business with the ability to prosper in the fully contestable market and to capitalize on new products and markets. The engagement had a rapid start with over 40 initiatives and delivered a 25% cost reduction through the transition to a Business As Usual state-with acceptable levels of business risk, appropriate spans of control and improved revenue realization capability.

Q.1) How did Deloitte support its plan to develop a new operating model for its client?

Q.2) What were the major operations management decision areas that Deloitte focused upon?
