

Reg. No. [ ]

Question Paper Code

21304

**MBA - DEGREE EXAMINATIONS, NOV/DEC 2022**

Third Semester

**Master of Business Administration**

**20MBO303 - STRATEGIC OPERATIONS AND INNOVATION**

(Regulations 2020)

Duration: 3 Hours

Max. Marks: 100

**PART - A (10 × 2 = 20 Marks)**

Answer ALL Questions

- |  | <i>Marks,<br/>K-Level, CO</i> |
|--|-------------------------------|
| 1. Interpret the term Strategic operation management.    | 2,K2,CO1                      |
| 2. Illustrate the term distinctive competency.           | 2,K2,CO1                      |
| 3. Assess the core operation strategy area.              | 2,K2,CO2                      |
| 4. What is off-shoring and in sourcing strategies?       | 2,K1,CO2                      |
| 5. What is operational strategy frame work?              | 2,K1,CO3                      |
| 6. What is scheduling and capacity management?           | 2,K1,CO3                      |
| 7. Identify the radical and incremental innovation.      | 2,K2,CO4                      |
| 8. Recognize the operation involvement as powerful tool. | 2,K2,CO4                      |
| 9. Indicate the four key elements of innovation.         | 2,K2,CO5                      |
| 10. Outline the change in technology innovation.         | 2,K2,CO5                      |

**PART - B (5 × 13 = 65 Marks)**

Answer ALL Questions

11. a) Comment on the core competency in operation management in detail. 13,K2,CO1

**OR**

- b) Describe the relationship between corporate, operational and business strategy in detail. 13,K2,CO1

12. a) Describe the elements of operation strategy in strategic operations in detail. 13,K2,CO2

**OR**

- b) Illustrate the operational risk management strategies in operation management. 13,K2,CO2

13. a) Compare and contrast MRP I and MRP II. 13,K2,CO3

**OR**

*K1 – Remember; K2 – Understand; K3 – Apply; K4 – Analyze; K5 – Evaluate; K6 – Create*

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- b) Examine business process reengineering and its benefits. 13,K4,CO3
14. a) Identify the innovative capabilities of innovation and explain them in detail. 13,K2,CO4
- OR**
- b) Assess strategic resonance and discuss the need of flexibility and agility. 13,K2,CO4
15. a) Discuss in detail about the sources of technology and innovation. 13,K2,CO5
- OR**
- b) Assess the technology and productivity growth in innovation. 13,K2,CO5

**PART - C (1 × 15 = 15 Marks)**  
**(Compulsory)**

16. The Eagle Machine Company has fallen on bad times. Eagle, a maker of speciality restaurant equipment, has sales totaling Rs. 72 million. But sales are declining while costs continue to increase. If things continue in this direction, Eagle may soon have to close its doors. At a special management meeting, the president lays it on the line! He demands that the firm break even in the remaining quarter of the year. For next year, he calls for 5 percent profits, a 20 percent increase in sales, and deeper cuts in labor, material and overhead. Later in the day, the President calls Mr. Manoharan, V. P. - Finance & Accounts, in for a discussion. 15,K6,CO6

"Manoharan, I want you, Finance & Accounts people to carry the ball at the start of this game. We can't get sales moving for six months. But you can improve your housekeeping - and Eagle's profits - right away. Just think what you can do to that chart! Every penny you save is profit! So take a close look at what we buy & what we sell. I don't care how you make your savings - by negotiations inventories, imports, anything. But put, the screws on tight-right away!

"Start with inventories, they're sky-high. So get together with manufacturing on a 10 percent cut! We've got Rs. 12 million worth of materials stashed away around here, and a 10 percent cut would save at least Rs. 300,000 a year in carrying charges. At the same time, get your payroll and operating expenses down 10 percent. That's in line with our company wide cut back. I know this hurts, Manoharan, because we have got some mighty fine people here in purchasing, but we can't be sentimental these days. Our overhead has got to come down or we're dead!"

"I'm having an executive committee meeting in one week. Have your plans ready by that time! We're betting on you, Manoharan. You've got to get us out of the hole. I know you can do it. Please interact and develop a harmonious proposal".

Mr. Manoharan starts a review along with other depts. The purchase totals only Rs. 43.2 million per year. Eagle buy, a wide variety of materials,

ranging from a few kgs of rare metals to sizable quantities of sheet metal. A big part of the Rupee volume is in non-ferrous castings, forgings, stampings, fasteners and sub-assemblies.

The purchasing department consists of one Sr. Manager, three buyers, and four clerks. Salaries, fringes and expenses sum to Rs. 370,000 a year. The purchasing department is responsible only for buying and expediting; the manufacturing manager handles production, inventory control, receiving and traffic. Manoharan reports to the president, as do other department heads. Manoharan learns from inventory control that raw stock inventory is Rs. 12.2 million. The marketing manager controls finished goods stocks. Manoharan wonders how he can deliver the cost reduction program.

**Questions:**

1. What actions should Manoharan take to reduce inventories by 10 percent?
2. What dangers, if any, are there in reducing inventories?
3. In what ways could the cost of goods purchased be reduced?
4. What position should Manoharan take on the President's plan to reduce the purchasing payroll by 10 percent?