

PGDM/PGDM(IB), 2014-16
Managing WorldClass Operations
DM-542/IB-515

Trimester- V, End-Term Examination: December 2015

Time allowed: 2Hrs 30 Min.

Max Marks: 50

Roll No -----

Instructions: Students are required to write Roll No on every page of the question paper, writing anything except the Roll No will be treated as **Unfair Means**. In case of rough work, please use answer sheet.

Closed Book System

Use of calculators is permitted

Sections	No. of Questions to attempt	Marks	Marks
A	3 out of 5 (Short Questions)	5 Marks each	$3*5 = 15$
B	2 out of 3 (Long Questions)	10 Marks each	$2*10 = 20$
C	Compulsory Case Study	15 Marks	15
		Total Marks	50

Section A

Q1. EFQM considers 'Managing with Agility' as an attribute of an excellent organization . What is Agility? Discuss with examples.

Q2. Schonberger stresses on 'Management by Principles' to become a world class organization. What is 'Management by Principles' and what is the rationale in adopting this mode of management ?

Q3. Discuss with examples the broadvision of TQM as recommended by The Deming Prize.

Q4. Differentiate Productivity from Efficiency in a business organization.

Q5. Baldrige Performance Excellence Programmes attaches more importance to Leadership Triad with a higher score of 550 as against the Results at score of 450. Discuss rationale.

Section B

Q1. Werbach refers Darwin that species survive on principle of '**Celebrate transparency**' and recommends that business organizations should follow the nature. Please illustrate with five examples as to how organizations develop sustainability through 'transpaency' in its operations. (10 Marks)

Q2. You have recently joined Westorn Appliances, manufacturing household electrical Appliances(mixies, grinders, toasters, electric irons, grillers etc.) as its General Manager- Quality. The customers perceives its products to be of poor quality as visible from many customer surveys. Please suggest a step by step programme of improving of quality. (10 Marks)

Q3. Schonberger, EFQM, Baldrige, and Deming refer to some common characteristics that define a world class organization. Discuss five such characteristics. (10 Marks)

Section C:

Fordism and Toyota Production System

Alfred Chandler, the great business historian, has called Ford Motor Company in the 1920's the greatest single mistake in United States history. However, every other person thought it otherwise and termed it as 'brilliant' feat wherein just in time was demonstrated in this vertically integrated mass-production marvel: four days from the mining of the iron ore to the vehicle driven off the end of the assembly line.

Chandler explains that automobiles are simply too complicated for any single company to control all their elements. He says an automaker should find and keep suppliers for many of those components and concentrate on the finished car, not producing the glass, steel and plastic.

Gaining outside expertise has several sides to it besides where the parts come from:

- Companies can contract out high-impact functions like product development
- They may bring in outsiders for ancillary work such as janitorial and food service
- They may turnover their computing, payroll, or equipment maintenance to outside specialists
- Resellers and supplier representatives might occupy space alongside one's own work force
- Project work pulls people in from other functions. Other sites, other companies, and temporary employment agencies(for example, contract computer programmers)
- Increasingly, companies rely on casual labor(temporaries) to handle upticks in demand.

These diverse sources and uses of expertise introduce new management challenges. Each source requires different planning approaches, policies, training, and pay practices, and different regulations and laws may govern each. The more sources, the higher the costs to administer them. It was easier in the old days when nearly every job was staffed by regular, full-time employees. We suffer the costs and inconveniences, because it pays to stick to your knitting- the core competencies- and look for other, nontraditional sources of expertise for the rest.

Yet Henry Fordism survived till late 70's successfully. Ford principles remains icons for any company at excellence. 1970's brought a new challenge from Toyotas and other company from Japan who seemed to follow what Alfred Chandler opined.

Q1. What exactly is Vertical integration and what benefits does it imbibe?

Q2. What are the three major principles on which Toyota Production System is based

Q3. Of the two styles of operations as discussed, which one will result in lower cost of the product? Give reasons.

(5×3=15Marks)