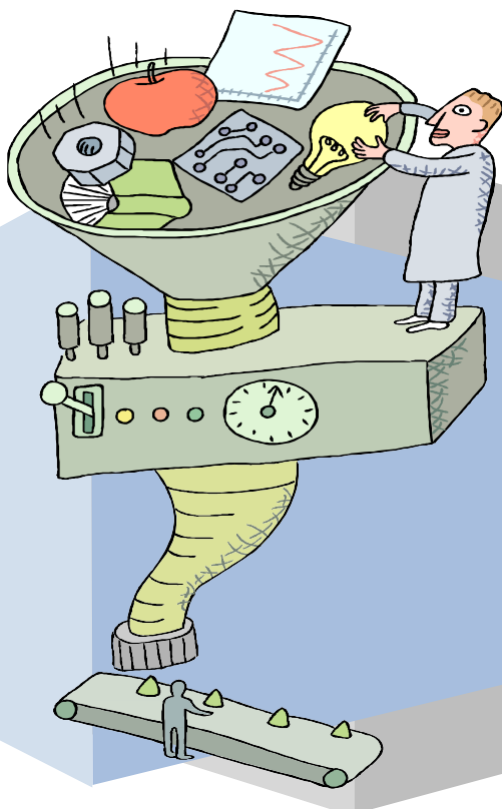


# Management of Marketing and Operations

## 2.2 – Operations



**Question  
Bank**

## WHAT IS OPERATIONS ALL ABOUT?

- |   |  |   |
|---|--|---|
| 1 | Describe what the ROLE of OPERATIONS staff is in a business.             | 2 |
| 2 | Outline the 3 main stages in the PRODUCTION PROCESS.                     | 3 |
| 3 | Describe 3 ACTIVITIES that are commonly carried out by OPERATIONS staff. | 3 |
| 4 | Explain how EFFECTIVE work by OPERATIONS staff can BENEFIT a business.   | 4 |
| 5 | Explain why a business can FAIL due to POOR work by OPERATIONS staff.    | 3 |

## STOCK MANAGEMENT

- |    |  |   |
|----|--|---|
| 6  | Explain what the purpose of STOCK MANAGEMENT is in a business.                                 | 1 |
| 7  | Describe what STOCK is.  | 1 |
| 8  | Outline what the 3 main types of stock are and suggest a reason why businesses need them.      | 6 |
| 9  | Describe what the term STOCK LEVEL means.  | 1 |
| 10 | Describe what UNDERSTOCKING is and explain 3 reasons why this can be a problem for a business. | 3 |
| 11 | Describe what OVERSTOCKING is and explain 3 reasons why this can be a problem for a business.  | 3 |
| 12 | Explain what the "CORRECT" stock level for a business will be.                                 | 2 |
| 13 | Describe 2 factors which will influence decisions about the correct level of stock to hold.    | 2 |
| 14 | Explain what LEAD TIME is.   | 1 |
| 15 | Explain what the purpose of a STOCK CONTROL system is.   | 2 |
| 16 | Outline the main steps involved in a stock control system.                                     | 4 |
| 17 | Explain why COMPUTERISED stock control systems have become popular.                            | 3 |
| 18 | Suggest a possible problem from using computerised stock control systems.                      | 1 |

## CHOOSING A SUPPLIER

- 19 Explain how each of the following factors affects the choice of supplier for a business. 5
- a PRICE
  - b QUALITY
  - c CONTINUITY
  - d RELIABILITY
  - e LOCATION

## ORGANISING THE FACTORS OF PRODUCTION

- 20 Explain what a FACTOR OF PRODUCTION is. 1
- 21 Describe the 4 factor of productions available to businesses. 4
- 22 Identify the payment required for each of the 4 factor of productions. 4

## METHODS OF PRODUCTION

- 23 Explain what the term PRODUCTION METHOD means 1
- 24 Describe (with examples) what JOB PRODUCTION is. 2
- 25 Describe 2 ADVANTAGES and 2 DISADVANTAGES of Job Production. 4
- 26 Describe (with examples) what BATCH PRODUCTION is. 2
- 27 Describe 2 ADVANTAGES and 2 DISADVANTAGES of Batch Production. 4
- 28 Describe (with examples) what FLOW PRODUCTION is. 2
- 29 Describe 2 ADVANTAGES and 2 DISADVANTAGES of Flow Production. 4
- 30 Outline at least 3 factors which will influence the Production Method used in a business. 3
- 31 Suggest (with reasons) which production method should be used to make the following products. 6
- a Designer diamond engagement ring
  - b Daily newspaper
  - c Pizzas
  - d New bridge over the Clyde river
  - e Bread
  - f Soap

## **PRODUCT QUALITY**

- 32 Explain what PRODUCT QUALITY is concerned with and why it is important. 3
- 33 Suggest which law would be relevant to each of the following quality situations.
- a Making sure that products are not advertised falsely.
  - b Making sure that the correct amount of a product is sold.
  - c Making sure that food is fit for people to eat
  - d Making sure that goods sold are not damaged. 4
- 34 Explain how HIGH QUALITY in the STOCK and FACTORS OF PRODUCTION used benefit a business. 2
- 35 Describe how a QUALITY CONTROL SYSTEM can improve product quality. 1
- 36 Describe how a QUALITY ASSURANCE SYSTEM can improve product quality. 1
- 37 Explain the different between QUALITY CONTROL and QUALITY ASSURANCE. 1
- 38 Compare the advantages and disadvantages of QUALITY CONTROL and QUALITY ASSURANCE systems. 4

## **ETHICAL AND ENVIRONMENTAL OPERATIONS**

- 39 Explain what ETHICAL AND ENVIRONMENTAL OPERATIONS is and why important to many modern businesses. 3
- 40 Explain how the TREATMENT OF STAFF is important to ethical and environmental operations. 3
- 41 Describe actions that a business can take to make their RAW MATERIALS ethically and environmentally friendly. 4
- 42 Describe actions that a business can take to make their PRODUCTION PROCESSES ethically and environmentally friendly. 4

## **CUSTOMER SERVICE**

- 43 Explain what CUSTOMER SERVICE is and why important to many modern businesses. 3
- 44 Describe what each of the following customer service activities is.
- a SERVICE STANDARDS
  - b LOYALTY SCHEMES
  - c COMPLAINTS PROCEDURE
  - d PRODUCT SUPPORT 4

## DISTRIBUTION

- 45 Describe what a METHOD OF DISTRIBUTION is. 1
- 46 Describe what each of the following METHODS OF DISTRIBUTION is.
- a ROAD
  - b RAIL
  - c AIR
  - d WATER
  - e PIPELINE 5
- 47 Explain why IT pipeline methods of distribution are becoming more important. 2
- 48 Describe at least 2 factors that influence the method of distribution used. 2

## FACTORS AFFECTING OPERATIONS

- |    |   |   |
|----|---|---|
| 49 | Identify an INTERNAL FACTOR that can assist in the success of operational activities.   | 1 |
| 50 | Explain how the INTERNAL FACTOR identified in Q47 helps operational activities.   | 1 |
| 51 | Identify an INTERNAL FACTOR that can cause problems for operational activities.   | 1 |
| 52 | Explain how the INTERNAL FACTOR identified in Q50 hinders operational activities.   | 1 |
| 53 | Explain how an example of how each of the following EXTERNAL FACTORS affects operational activities (positively or negatively). |   |
|    | a POLITICAL FACTORS   |   |
|    | b ECONOMIC FACTORS  |   |
|    | c SOCIAL FACTORS  |   |
|    | d ENVIRONMENTAL FACTORS   |   |
|    | e COMPETITIVE FACTORS   | 5 |
| 54 | Explain how TECHNOLOGICAL FACTORS have affected the management of operations in modern businesses.                              | 3 |

## OPERATIONS – SUMMARY TASK

Choose a business that you know about or can find out about. Prepare an operations profile for them that highlights the following information.

- TYPES OF STOCK HELD
- REASONS FOR STOCK LEVEL HELD
- FACTORS OF PRODUCTION USED
- REASONS FOR FACTORS OF PRODUCTION USED
- ETHICAL AND ENVIRONMENTAL OPERATIONS USED
- CUSTOMER SERVICE OFFERED
- DISTRIBUTION METHODS USED

