**VALLUVAR COLLEGE OF SCIENCE AND MANAGEMENT, KARUR**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**CLASS : I MBA SEMESTER: II**

**SUBJECT : Production Management CODE : P16MBA8**

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**1. Sate the meaning of Production management.**

 Production [management](http://kalyan-city.blogspot.com/2011/04/what-is-management-definitions-meaning.html) means planning, organizing, directing and controlling of production activities.

Production management deals with converting raw materials into finished goods or products. It brings together the 6M's i.e. men, money, machines, materials, methods and markets to satisfy the wants of the people.

**2. Sate the Definition of Production management**

 Production management deals with decision-making related to production processes so that the resulting goods or service is produced according to specification, in the amount and by the schedule demanded and at minimum cost."- Elwood Spencer Buffa

**3. Difference between Operations and Production.**

 In the transformation process, the inputs change the form into an output, by adding value to the entity. The output may be a product or service.

* If it is a product centric that is known as production,
* If it is a service centric then that is known as operation.

**4. What is production System?**

 *production system is a collection of people, equipment, and procedures organized to perform the manufacturing operations of a company (or other organization)*

***5. State the objectives or Aim PM.***

 In right quantities  At a reasonable cost

 At the appropriate place  At the desired time  With the required quantity

**5. Sate the Characteristics features of production system**

* Production is an organized activity.
* The system transforms the various inputs into useful outputs.
* Production system does not operate in isolation from the other organizational systems.
* There exists a feedback about the activities which is essential to control and improve system performance.

**6. What is job shop production?**

 In jobbing production flows, company accepts a contract to produce either one or few units of a product strictly as per specifications given by the customer. The product is produced within a given period and at a fixed cost. This cost is fixed at the time of signing the contract.

Examples of such jobbing production flows include, services given by repair shops, tailoring shops, manufacturer of special machine tools, etc.

**7. What is Batch production?**

 In batch production flows, the production schedule is decided according to specific orders or is based on the demand forecasts. Here, the production of items takes place in lots or batches. A product is divided into different jobs. All jobs of one batch of production must be completed before starting the next batch of production.

Examples of batch production flows include manufacturing of drugs and pharmaceuticals, medium and heavy machineries, etc.

**8. What is Mass production?**

 Here, company produces different types of products on a large-scale and stock them in warehouses until they are demanded in the [market](http://kalyan-city.blogspot.com/2010/11/what-is-market-types-and-classification.html).

The goods are produced either with the help of a single operation or uses a series of operations.

E.g. of mass [production](http://kalyan-city.blogspot.com/2012/02/what-is-production-system-definition.html) is the production of toothpastes, soaps, pens, etc.

**9. What is meant by Strategic management?**

 The strategic management process means defining the organization’s strategy. It is also defined as the process by which managers make a choice of a set of strategies for the organization that will enable it to achieve better performance.

**10. State the hierarchy of strategy.**

1. Mission
2. Objectives
3. Corporate level strategy
4. Business level strategy
5. [**Functional level strategy**](https://businessjargons.com/functional-level-strategy.html)

**11. What is mean by Corporate Strategy?**

Corporate level strategy is long-range, action-oriented, integrated and comprehensive plan formulated by the top management. It is used to ascertain business lines, expansion and growth, takeovers and mergers, diversification, integration, new areas for investment and divestment and so forth.

**12. Write short note on World class manufacturing.**

World class manufacturing is the philosophy of being the best, the fastest, and the lowest cost producer of a product or service. It implies the constant improvement of products, process and service to remain an industry leader and provide the best choice for customers, regardless of where they are in the process.

The term ‘World Class Manufacturing’ was first used by Hayes and Wheelwright in 1984. Hayes and Wheelwright described world class manufacturing as a set of practices, implying that the use of best practices would lead to superior performance.

**13. List the attributes of WCM.**

1. Products with high quality
2. Products with competitive price
3. Products with several enhanced features
4. Products in wider variety
5. Products delivered in shorter lead time
6. Products delivered on time
7. Flexibility in fulfilling products demand

**14. List Principles of WCM.**

* Implementation of just in time and lean management leads to reduction in wastage thereby reduction in cost.
* Implementation of [total quality management](https://www.managementstudyguide.com/total-quality-management.htm) leads to reduction of defects and encourages zero tolerance towards defects.
* Implementation of total preventive maintenance leads to any stoppage of production through mechanical failure.

**15. List the steps in WCM.**

* Reduction of set up time and in tuning of machinery
* Cellular Manufacturing
* Reduce WIP material
* Postpone product mutation
* Removal the trivial many and focus on vital few

**16.What is meant by demand Forecast?**

The process of analyzing and understanding current and past information to understand the future patterns through a scientific and systemic approach is called forecasting. And the process of estimating the future demand of product in terms of a unit or monetary value is referred to as demand forecasting..

**17. Mention the classification of forecast.**

* Technology Forecast
* Economic Forecast
* Demand forecast

### 18. Mention the Timeline of Business Forecasting

* Long Term Forecast
* Mid-Term Forecast
* Short Term Forecast

**19.Factors affecting forecast (Demand)**

* **Price of Goods**
* **Type of Goods**
* **Competition**
* **Technology**
* **Economic Perspective**
* **Business cycle**
* **Product’s life cycle**
* Quality
* Credit policy
* Design of goods
* Reputation of the service
* Sales effort
* Advertising

20. **List down the forecasting models.**

 Qualitative Forecasting Methods:

* Executive Opinions
* Delphi Method
* Sales Force Polling
* Consumer Surveys

# Quantitative Forecasting Methods:

* Simple moving average
* Simple regression
* Semi-average method
* Double moving average
* Single exponential method
* Double exponential method
* Multiple regression

## 21. State the Process of Demand Forecasting

* **Setting the Objectives**
* **Determining the Time Perspective**
* **Selecting a Suitable Demand Forecasting Method**
* **Collecting the Data**
* **Estimating the Results**

## 22. Mention the Objectives of Demand Forecasting.

* **Formulation of Production Policy**
* **Formulation of Price Policy**
* **Maximum Utilization of Machines**
* **Proper Control of Sales**
* **Regular Supply of Material**:
* **Arrangement of Finance**
* **Regular Availability of Labor**

**Unit – II**

Product Design – New product development, process planning and design, value analysis, capacity planning.

**1. Define product.**

 A product is anything that is capable of satisfying a felt need.

**2. What is product design?**

 Concerned with form and function of a product. It refers to the arrangement of elements or parts that collectively form a product.

**3. State the Aspects of products design.**

* Design for function
* Design for making
* Design for selling

**4. State the factors affecting of products design.**

* Customer’s requirements
* Convenience of the operator or user
* Types of material used
* Cost/ price ratio
* Product quality
* Process capability
* Effect on existing products
* Packaging

**5.Sate the characteristics of good product design.**

* Function or performance
* Appearance
* Reliability
* Maintainability
* Producibility
* Simplification
* Standardization
* Safety

**6. State the Process of New Product Development**

1. Idea generation
2. Idea screening
3. Development process
4. Developing of marketing strategy for new product
5. Development of the business model around the new product
6. Production of new product.
7. Market testing of new product.
8. Commercialization phase.

**7. State the meaning of process planning.**

 It is concerned with planning the conversion process needed to convert the raw material into finished product.

**8. State the meaning of process Design.**

 Concerned with the overall sequences of operation required to achieve the product specifications.

**9.Define value analysis.**

 It is disciplined approach that ensures the necessary functions at minimum cost without compromising quality, reliability, performance and appearance.

## 10.WHAT IS CAPACITY PLANNING?

 Capacity planning refers to determining what kind of labour and equipment capacities are required and when they are required.

There are four major considerations in capacity planning:

* Level of demand
* Cost of production
* Availability of funds
* Management policy.

QUALITY CONTROL

**Meaning:**

The term quality control consists of two words ‘quality’ and ‘control’. Quality is that charactertic or a combination of characteristics that distinguishes one article from the other or goods of manufacturer from that of competitors or grade of product from another when both are the outcome of the same factory.

‘Control’ may be referred to as the comparison of the actual results (finished goods) with a predetermined standards and specifications. It locates the deviation and tries to remove them. Control is the correction in the quality of the produce when deviations in the quality are more than expected in the process`

**Definition:**

 According to Alford and Beatty ‘Quality control may be defined as that industrial management technique or group of techniques by mean of which products of uniform acceptable quality are manufactured’

**Objectives of Quality control:**

* To assess the quality of raw materials, semi- finished goods and finished product at various stages of production
* To see whether the product confirms to the predetermined standards
* To suggest suitable improvements
* To develop quality consciousness
* To reduce the wastages

**Significance/ Importance of quality control:**

1. **Reduction in costs:** An efficient quality control system reduces the cost of production cost the product due to
* Reduction in wastages of raw materials, semi- finished goods and finished goods
* Large- scale production of standard quality product
* Rework cost of the substandard goods is the minimum
1. **Improvement in the morale of the employees:** By quality control programme, the employees become quality conscious. They understand the standards of the product well and try to improve the standards and produce the quality goods to the best of their efforts. Thus, it improves the morale of the employees.
2. **Maximum utilization of resources:** By establishing the quality control system. The necessary control over machines, equipment, men and materials and all other resources of the company is exercised. The system will also control the misuse of facilities. Wastage of all types and low standard production. Thus, the resources of the company put to maximum use.
3. **Increase in sales:** Increase of the sales of the product is the main objective of the quality control system. By introducing quality control programme in manufacturing process, a quality product is made available to the consumers and that too at lower rtes because of lower cost of production. It, in turn, increases demand of the company’s product.
4. **Consumer satisfaction:** Consumers always get the quality products of standard specifications which they find to their utmost satisfaction.