

# WOMEN'S UNIVERSITY IN AFRICA



*Addressing gender disparity and fostering equity in University Education*

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**FACULTY OF MANAGEMENT AND ENTREPRENEURIAL SCIENCES**

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**BACHELOR OF SCIENCE HONOURS DEGREE IN PURCHASING AND SUPPLY  
CHAIN MANAGEMENT**

**MAIN PAPER**

**PSM 413 : OPERATIONS MANAGEMENT IN THE SUPPLY CHAIN**

**INTAKE 9 : THIRD YEAR FIRST SEMESTER**

**TIME : 2 HOURS**

**INSTRUCTIONS TO CANDIDATES**

Answer Question 1 and any other two.

## **Question 1**

### **Q3 sugar exports up 23%**

HIPPO Valley Estates Limited (Tongaat Hulett) said industry sugar exports increased by 23% during the third quarter ended December 31, 2019, significantly increasing the company's access to foreign currency.

In a trading update, company chairman Dan Marokane said the operating environment remained challenging as consumer spending was low, forcing the prices to remain subdued.

“The industry sugar exports increased by 23% during the period to 67 355 tons, significantly improving the company's access to foreign currency,” Marokane said.

The operating and trading environment remains challenging at the back of high inflation and limited availability of foreign currency in formal banking channels. Consequently, the company continues to face logistical challenges in the supply of imported critical inputs, spares and services. Consumer spending is equally constrained by low disposable incomes as salary and wage adjustments across many sectors continue to lag the increase in prices of goods and services.”

This comes at a time the company faced the challenge of yellow sugarcane aphids (YSA) which affected the quality of the cane they produced by 3%.

“Cane quality for the period was 3% lower than the prior season mainly due to the high incidence of (YSA) experienced in the region. Robust crop management practices are being implemented to contain the pest.”

The total industry sales in to the market during the period under review were 29% lower than the prior year, a reflection of the low disposable incomes.

The cane harvested by the company during the nine months ended December 31, 2019 went down by 5% to 1 010 571 tonnes from 1 068 164 tonnes.

Cane harvested by private farmers also went down by 14% from 793 868 to 685 815 tonnes.

The total cane that was milled decreased by 9% to 1 696 386 from 1 862 032 tonnes.

The company produced 211 267 tonnes of sugar, a 12% decrease from 238 965 tonnes during the period under review.

**BY TAFADZWA MHLANGA**

<https://www.newsday.co.zw/2020/02/q3-sugar-exports-up-23/>

## **Required**

a) Explain any **five (5)** major challenges that are being experienced by the company in the passage above. [20]

b) As a newly appointed Operations Manager at Hippo Valley Estates, provide possible solutions to the challenges identified in (a) above. [20]

## **Question 2**

Using practical examples, explain the roles and responsibility of an operations manager within an organisation. [20]

## **Question 3**

Examine the use of technology in production and operations by manufacturing organisations. [20]

## **Question 4**

‘Production Managers normally face challenges in designing and producing services’  
.Discuss [20]

## **Question 5**

Explain the following terms as used in Operations Management:

a) Total quality management [5]

b) ISO 14000 [5]

c) Batch production [5]

d) Material Resource Planning [5]

## **Question 6**

Discuss the major categories of plant lay out that can be used for production purposes. [20]

**END**