



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

FACULTY OF MANAGEMENT SCIENCES

DEPARTMENT OF MANAGEMENT

QUALIFICATION : BACHELOR OF BUSINESS MANAGEMENT	
QUALIFICATION CODE: 07BBMA	LEVEL: 7
COURSE CODE: BBP712S	COURSE NAME: BUSINESS PROCESS MANAGEMENT
SESSION: NOVEMBER 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS
1. Answer ALL the questions. 2. Write clearly and neatly. 3. Number the answers clearly.

PERMISSIBLE MATERIALS

CALCULATOR

THIS EXAMINATION PAPER CONSISTS OF 5 PAGES (Including this front page)

SECTION A

[20 MARKS]

QUESTION 1: MULTIPLE CHOICE QUESTIONS [2 x 10]

1.1 Which of the following is not true? To increase value, an organization must

- a. Decrease price or cost while holding perceived benefits constant
- b. Hold perceived benefits constant while increasing price or cost
- c. Increase perceived benefits while holding price or cost constant
- d. Increase perceived benefits while reducing price or cost

1.2 For a restaurant, order-taking, bill payment and home delivery would be considered

- a. Suppliers
- b. Inputs
- c. Transformation processes
- d. Outputs

1.3 Which of the following is not a key dimension of service quality?

- a. Conformance
- b. Tangibles
- c. Empathy
- d. Reliability

1.4 The decision to outsource or vertically integrate depends upon all the following except

- a. Economics
- b. Technological capabilities
- c. The firm's human resources
- d. Performance measures

1.5 Deadlines may not be "exact" but interpreted as "within the next few days" is an example of

- a. Infrastructure
- b. Cultural differences
- c. Value proposition
- d. Tracing

1.6 A company has two alternatives for meeting a customer requirement for 9,000 units of a specialty molding. If done in-house, fixed cost would be \$350,000 with variable cost at \$30 per unit. Alternative two is to outsource for a total cost of \$80 per unit. Determine the break-even point and determine if they should make the item in-house or outsource it.

- a. Break-even point = 7,000 units; outsource
- b. Break-even point = 7,000 units; make in-house
- c. Break-even point = 11,667 units; outsource
- d. Break-even point = 11,667 units; make in-house

1.7 Units of output per machine-hour or tons per machine-hour are examples of?

- a. Total productivity
- b. Multifactor productivity
- c. Partial-factor productivity
- d. Service productivity

1.8 Which of the following is false regarding the traditional functional organization?

- a. Separates employees from customers
- b. Can inhibit agility and process improvement
- c. Promotes speed
- d. Requires many hand-offs

1.9 The _____ of a firm defines its reason for existence.

- a. Strategy development
- b. Strategic mission
- c. Vision statement
- d. Value and code of ethics

1.10 All of the following are reasons service sector productivity is lower than manufacturing except

- a. Service sector workers are low-skilled
- b. Quality output is hard to measure
- c. Contact with the customer is greater in the service sector
- d. Services are more difficult to automate

QUESTION 2: ESSAY TYPE QUESTIONS

2.1 Draw and briefly explain a customer benefit package (CBP) for a newly developed lavish fast food restaurant in Windhoek? [15 Marks]

2.2 Explain the Goods-Services Continuum view of understanding customer wants and needs. [15 Marks]

2.3 Contrast the two views of a value chain. What is the significance of each? [10 Marks]

SECTION C

[40 MARKS]

QUESTION 3: COMPUTATION QUESTIONS

3.1 Suppose that a manufacturer needs to produce a custom aluminum housing for a special customer order. Because it currently does not have the equipment necessary to make the housing, it would have to acquire machines and tooling at a fixed cost (net of salvage value after the project is completed) of \$250,000. The variable cost of production is estimated to be \$20 per unit. The company can outsource the housing to a metal fabricator at a cost of \$35 per unit. The customer order is for 12,000 units. What should they do? [5 Marks]

3.2 A university might determine that there are 100 opportunities for error during the student registrations process and in February the university had 200 check-ins, in which a total of 40 service upsets were recorded by well-trained Faculty Officer. Find the epmo? [5 Marks]

3.3 Use the information for Abraham Trading Cc provided in Exhibit 1 to answer questions below;

a) Determine the multifactor productivity using labor costs and other costs data for the First and Second Quarter (use dollar output per dollar input)? [8 Marks]

b) In which quarter is Abraham Trading Cc more productive? [2 Marks]

c) What is the relative productivity change for Abraham Trading Cc in percentage? [5 Marks]

3.4 A production department in a brewing company consists of three types of employees: Boiler earning \$15 per hour, Operator earning \$20 per hour, and Technician earning \$20 per hour. For a certain job, over two periods, the performance shown below was collected:

Type of Employee	Labor Hours per Period	
	<u>Period 2</u>	<u>Period 1</u>
Boiler	11	8
Operator	20	16
Technician	16	12

a) Calculate the productivity of each period and note that output increased by 20 percent in period 2. Use four decimal numbers to calculate relative productivity change? [15 Marks]