| IN | ame: |  |
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|    |      |  |

**Enrolment No:** 



## **UPES**

## **End Semester Examination, December 2023**

Course: Lean Manufacturing
Program: MBA(OM)
Course Code: LSCM 8018
Semester: III
Time : 03 hrs.
Max. Marks: 100

## **Instructions:**

## SECTION A 10Qx2M=20Marks

| Q 1 (i) | MCQ & fill in the blanks, carries equal marks  Who developed 7 original types of wastes (Muda)?  (a) Kiichiro Toyoda  (b) Taiichi Ohno  (c) Aiko Toyoda  (d) None of the above | 2 | CO1 |
|---------|--|---|-----|
| (i)     | <ul><li>(a) Kiichiro Toyoda</li><li>(b) Taiichi Ohno</li><li>(c) Aiko Toyoda</li><li>(d) None of the above</li></ul>   | 2 | CO1 |
|         | <ul><li>(b) Taiichi Ohno</li><li>(c) Aiko Toyoda</li><li>(d) None of the above</li></ul>   | 2 | CO1 |
|         | (c) Aiko Toyoda<br>(d) None of the above   | 2 | CO1 |
|         | (d) None of the above  |   |     |
|         | (d) None of the above  |   | 1   |
|         |  |   |     |
| (ii)    | The Japanese phrase for "Unevenness" is  |   |     |
| ,       | (a) Muda   |   |     |
|         | (b) Muri   | 2 | CO1 |
|         | (c) Mura   |   |     |
|         | (d) None of these  |   |     |
| (iii)   | OEE stands for   |   |     |
|         | (a) Overall Equipment Effectiveness  |   |     |
|         | (b) Overall Equipment Efficiency   | 2 | CO1 |
|         | (c) Overload Equipment Effectiveness   |   |     |
|         | (d) None of the above  |   |     |
| (iv)    | (e) The concept of SMED was developed by   |   |     |
|         | (f) Kaoru Ishikawa   |   | 004 |
|         | (g) Genichi Taguchi  | 2 | CO1 |
|         | (h) Shigeo Shingo (i) Masaaki Imai   |   |     |
| (v)     | The TAKT Time Formula = (Net Time Available for  |   |     |
| (V)     | Production)/()   |   |     |
|         | (a) Customer's Annual Demand   |   |     |
|         | (a) Customer's Annual Demand (b) Customer's Weekly Demand  |   | CO1 |
|         | (c) Customer's Daily Demand  |   |     |
|         | (d) Customer's Quarterly Demand  |   |     |
| (vi)    | Pull strategy emphasizes replenishing what is  | 2 | CO1 |

|              | (a) Unused   |    |     |
|--------------|--|----|-----|
|              | (b) Consumed   |    |     |
|              | (c) Wasted   |    |     |
|              | (d)None of the above   |    |     |
| (vii)        | Jidoka means   |    |     |
|              | (a) Machines with human intelligence                                       |    |     |
|              | (b) Machines with artificial intelligence                                  | 2  | CO1 |
|              | (c)Machines with both human & artificial intelligence                      |    |     |
|              | (d) None of the above  |    |     |
| (viii)       | Who does not signify the importance of people as a resource?               |    |     |
|              | (a) TPS  | _  |     |
|              | (b) Lean   | 2  | CO1 |
|              | (c) Both (a) & (b)   |    |     |
| <i>(</i> ' ) | (d) None of these  |    |     |
| (ix)         | In which language Takt means cycle?  |    |     |
|              | (a) Japanese   | 2  | CO1 |
|              | (b) Indian (c) Chinese   | 4  | COI |
|              | (d) German   |    |     |
| (x)          | In 5S, the phrase "Seiton" means   |    |     |
| (A)          | (a) Sort   |    |     |
|              | (b) Set in order   | 2  | CO1 |
|              | (c) Shine  | _  |     |
|              | (d) None of the above  |    |     |
|              | SECTION B  |    | 1   |
|              | 4Qx5M=20 Marks   |    |     |
| Q            | Attempt all questions in this section                                      |    | CO  |
| 2            | Define the following: (a) Heijunka (b) Jidoka                              | 5  | CO2 |
| 3            | Compare lean enterprise vs traditional mass production?                    | 5  | CO2 |
| 4            | Define (a) ATO (b) MTS   | 5  | CO2 |
| 5            | Discuss & compare lean principles with TPS principles?                     | 5  | CO2 |
|              | SECTION-C  |    | •   |
| 0            | 3Qx10M=30 Marks  |    |     |
| Q            | Attempt all questions in this section                                      |    | CO  |
| 6            | Calculate the OEE for 31st March 2023, where a plant runs for two shift of |    |     |
|              | 12 hours each everyday & each shift has a break of 1 hour & 45 min. each   |    |     |
|              | for lunch & dinner & tea break. The scheduled preventive maintenance is    |    |     |
|              | 45 min. each day. The unscheduled downtime was 1 hour on 31st March        | 10 | CO3 |
|              | 2023. The design cycle time is 45 seconds per piece & the total production |    |     |
|              | was 2050 pieces with 50 rejected pieces on that day. Also predict the type |    |     |
| 7            | of losses using OEE?   |    |     |
| 7            | A projector manufacturing company exports projector, calculate the cycle,  | 10 | CO3 |
|              | buffer A company is setting up an assembly line to produce 192 units per   |    |     |

|   | immediate predecessors:  |  |   |    |     |
|---|--|--|---|----|-----|
|   | Work Element   | Time(sec)  | Immediate<br>Predecessor  |    |     |
|   | A  | 40   | None  |    |     |
|   | В  | 80   | A   |    |     |
|   | С  | 30   | D, E, F   |    |     |
|   | D  | 25   | В   |    |     |
|   | Е  | 20   | В   |    |     |
|   | F  | 15   | В   |    |     |
|   | G  | 120  | A   |    |     |
|   | Н  | 145  | G   |    |     |
|   | I  | 130  | Н   |    |     |
|   | J  | 115  | C,I   |    |     |
|   | 4. Compute the efficiency  | OR   |   |    |     |
|   | A projector manufacturing cobuffer & safety stock for the units per day, assume takt the in planning is 24 hours, and frequency) is 3 hours. In any in front of the order. Assurproduction is 1400 units for average demand for a month is 208.0. For a 99% on time (Z score= 2.33). Also calculate kanban container size is 50 to Write short notes on  (a) Six Sigma | e company when their daine as 2 minute. The time to the delivery time (due to typical queue they have ming safety factor as 0.0 or a month & standard of is 1400 units & standard of delivery the acceptable valuate the number of kanba | the Kanban cards are o material handler's 14 hours of demand 03, also the average deviation is 59.0 & deviation for demand lue for one sided test | 10 | CO3 |
|   | (b) TQM  |  |   | 10 | COS |
|   | (c) Deming's Principle   | SECTION-D  |   |    |     |
|   |  | 2Qx15M= 30 Mar   | ·ks   |    |     |
|   |  |  | . 123   |    |     |
|   | Read the case & answer th  |  |   |    | CO  |
|   |  | e following questions  | ) . F   |    | CO  |
| _ | Read the case & answer the  St James's Hospital, affectio teaching hospital. It employs  | e following questions nately known as 'Jimmy's   |   |    | CO  |

increasing pressure to reduce costs, to contain inventory and to improve service, the Supplies Department has recently undertaken a major analysis of its activities, helped by the consultancy division of Lucas Industries, the UK-based manufacturing company.

The initial review highlighted that Jimmy's had approximately 1500 suppliers of 15 000 different products at a total cost of £15 million. Traditionally, the Supplies Department ordered what the doctors asked for, with many cases of similar items supplied by six or more firms. Under a cross-functional task force, comprising both medical and supply staff, a major programme of supplier and product rationalization was undertaken, which also revealed many sources of waste. For example, the team found that wards used as many as 20 different types of gloves, some of which were expensive surgeons' gloves costing around £1 per pair, yet in almost all cases these could be replaced by fewer and cheaper (20 pence) alternatives. Similarly, anaesthetic items which were previously bought from six suppliers, were single-sourced. The savings in purchasing costs, inventory costs and general administration were enormous in themselves, but the higher-order volumes also helped the hospital negotiate for lower prices. Suppliers are also much more willing to deliver frequently in smaller quantities when they know that they are the sole supplier. Peter Beeston, the Supplies Manager, said:

'We've been driven by suppliers for years ... they would insist that we could only purchase in thousands, that we would have to wait weeks, or that they would only deliver on Wednesdays! Now, our selected suppliers know that if they perform well, we will assure them of a long-term commitment. I prefer to buy 80 per cent of our requirements from 20 or 30 suppliers, whereas previously, it involved over a hundred.'

The streamlining of the admissions process also proved fertile ground for improvement along JIT principles. For example, in the Urology Department, one-third of patients for non-urgent surgery found their appointments were being cancelled. One reason for this was that in the time between the consultant saying that an operation was required and the patient arriving at the operating theatre, there were 59 changes in responsibility for the process. The hospital reorganized the process to form a 'cell' of four people who were given complete responsibility for admissions to Urology. The cell was located next to the ward and made responsible for all record keeping, planning all operations, ensuring that beds were available as needed, and telling the patient when to arrive. As a result, the 59 handovers are now down to 13 and the process is faster, cheaper and more reliable.

Jimmy's also introduced a simple kanban system for some of its local inventory. In Ward 9's storeroom, for example, there are just two boxes of

|    | 10 mm syringes on the shelf. When the first is empty, the other is moved forward and the Ward Sister then orders another. The next stage will be to simplify the reordering: empty boxes will be posted outside the store, where codes will be periodically read by the Supplies Department, using a mobile data recorder.  The hospital's management is convinced of the benefits of their changes.  'Value for money, not cost cutting, is what this is all about. We are standardizing on buying quality products and now also have more influence on the buying decision from being previously functionally oriented with several buyers, we now concentrate on materials management for complete product ranges. The project has been an unmitigated success and although we are only just starting to see the |    |     |
|----|---|----|-----|
|    | benefits, I would expect savings in cost and in excess inventory to spiral! The report on Sterile Wound Care Packs shows the potential that our team has identified. The 'old' pack consisted of four pairs of plastic forceps, cotton wool balls and a plastic pot, which were used with or without additional gloves. This pack cost approximately 60 pence excluding the gloves. The "new" pack consists of a plastic pot, swabs, etc., and one pair of latex gloves only. This pack costs approximately 33 pence including gloves. Total target saving is approximately £20 000.'   |    |     |
| 9  | List the elements in St James's new approach which could be seen as deriving from JIT principles of manufacturing.  | 15 | CO4 |
| 10 | What further ideas from JIT manufacturing do you think could be applied in a hospital setting such as St James's?   | 15 | CO4 |