

**BOTSWANA COLLEGE OF DISTANCE AND OPEN LEARNING**  
**In collaboration with**  
**THE COMMONWEALTH OF LEARNING**

**Commonwealth Executive Masters in Business Administration**  
**Commonwealth Executive Masters in Public Administration**

**OPERATIONS MANAGEMENT**  
**OM311**

**Sessional Examination**

**Marks: 100**

**Time allowed: 3 hours**

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**Instructions**

1. This paper comprises of Part A and Part B. Answer **ALL** questions in Part A and any **THREE** (3) questions in Part B.
2. Answer questions according to instructions given in each section
3. Write answers in the answer booklet provided
4. Answer **ALL** questions, in grammatical **English**.

**Part A**

**(40 marks)**

Answer all questions

**Hospice Advisors Case Study**

**Title:** Hoshin Planning – A Road Map to Success

**Company:** A Hospice Company located in Michigan

**Date:** December 28, 2014

**Problem:** Limited strategic direction.

**Presenting Issues/Challenges:** This hospice with a census of 100 had experienced a 24-month period of stagnation, financial decline and a loss of “game” in the market place. There was not a strategic plan and related deployment plan in place.

**Plan of Action:** This hospice made a decision to engage in a strategic planning process that I was honored to assist with. Following is a summary of the processes and steps we implemented to assist this hospice.

Hospice Advisors used a very simple but powerful tool for Strategic Planning called Hoshin Kanri. Hoshin Kanri is a proven framework for linking strategy with daily management. It provides a planning, implementation and review process for change management. Hoshin Kanri has been used by some of the world’s most successful companies but is a relatively new planning methodology in health care.

Hoshin Kanri planning is a seven-step process. Hospice Advisors will work with CareFirst to accomplish the following.

1. Identify the key business issues facing the organization.
2. Establish measurable business objectives that address these issues.
3. Define the overall vision and goals.
4. Develop supporting strategies for pursuing the goals
5. Determine the tactics and objectives that facilitate each strategy.
6. Implement performance measures for every business process.
7. Measure business fundamentals.



The Planning Process was completed in five months with the deployment phase starting in month sixth. Following are the specific steps that will be taken.

- Meeting with the Executive Committee and Management Team to refine the planning process agenda. This meeting also started the interview process with this group and began the data gathering phase of the process. 3-days on-site. First Month.
- Key-stake holder interviews, community town hall meetings and three dialogue groups with a cross-section of the staff (used in development of a SWOT). 4-days on-site. First Month.
- Analysis of data, review of KIPs, local and national environmental scan and reflection. Off-site. Second Month.
- Two phone conferences with Executive Committee and Management Team to test finding. Off-site. Second Month.
- One day Board and Management Team Strategic Planning Advancement Meeting. 1-day on site. Third Month.
- Strategy formulation with leadership involvement. 1-day on-site. Same visit as Advancement. Third Month.
- Draft of strategies, objectives, measurement metrics and deployment model. Off-site. Fourth Month.
- Two phone conferences with Executive Committee and Management Team to test initial Plan. Fourth Month.
- Presented draft of Strategic Plan to Executive Committee and Management. 1-day on-site. Fifth Month.
- Presented Final Plan to the Board. 1-day on-site. Fifth Month.
- Launch deployment. 2-days on-site. Sixth Month.

**Outcome/Results:**

Twelve months after deployment began the following outcomes were achieved:

1. A strategic planning and deployment system in place and working.
2. Four cross-sectional work groups in place that were focusing on:
  - Cost improvement
  - Access

- Quality
  - New Business
3. A new referral inquiry to admission process was installed.
  4. A reduction in PPDs in the areas of pharmacy cost, staffing, DME, mileage and nursing supplies.
  5. Development of two specialty programs in place for Cardiology and Pulmonology.
  6. A formal relationship with one ACO in the market place.

*Case Study: Hoshin Planning – A Road Map to Success Kurt Kazanowski, 2014*

**Question 1**

- a) Explain the Hoshin Planning in the above case study.  
[20 Marks]
- b) What do you think are the benefits of Hoshin Planning from the above case study?  
[15 Marks]
- c) State five purposes of Hoshin Review Table  
[5 Marks]

**Part B (60 marks)**

Answer any **THREE (3)** of the following questions. Each question contributes 20 marks.

**Question 1**

- (a) State and evaluate the 5 basic requirements of a customer in operations management.  
[10 Marks]
- (b). What do you understand by the following terms?
  - i. Level Production Strategy
  - ii. Chase Capacity Strategy  
[10 Marks]

**Question 2**

Describe the following

- a)
  - i. Steps for process improvement (Kaizen)
  - ii. The concept of lean thinking

**[12 Marks]**

- b) There are four traditional four categories of quality cost. State and expound each category of quality cost.

**[8 Marks]**

**Question 3**

- a) Examine how the Bullwhip Effect happens. **[10 Marks]**
- b) Evaluate what can be done to reduce the Bullwhip Effect. **[8 Marks]**
- c) Define “Collaborative Supply Chain”? **[2 Marks]**

**Question 4**

Balanced scorecards measures business performance from four perspectives. State and elucidate on each perspective **[20 Marks]**

**End of Exam.**