


Bangladesh Open University MBA Program Semester: 201 (3rd Level)

Course: Management Accounting

Due on: January 06, 2023

Instructions for Assignment Submission

	<p>1. Assignments must be submitted on A4 size paper in own hand writing.</p> <p>2. Completed cover must be used on the top of each assignment as per the specimen cover page in the Semester Calendar)</p> <p>3. Assignments must be submitted to the coordinator of the study center you are attached with.</p>	<p>Assignment & Class Performance Marks distribution</p> <hr/> <p>Class works } Home Works } } 10 Presentations } Quizzes }</p> <p>Assignment -1 } } 10</p> <p>Assignment -2 } } 10</p>
	<p>4. Spiral binding must be avoided. Instead, transparent folder or file cover or any other soft binding may be used.</p>	
	<p>5. Contact e-mail address & Cell Phone and Land Phone numbers must be written on the cover page clearly. If your e-mail address is not yet added to our e-mail list, please send a mail to the coordinator of your study center with subject "Add Me".</p>	
	<p>6. In the case of delayed submission, the School will not acknowledge the submission of the assignment(s) and will not be responsible for any damage or loss of the assignment(s).</p>	
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Questions

- 1.1 (a) Explain the role of Management Accountant in the planning and control cycle.
- (b) Discuss the accounting implications of various management thoughts.
- (c) Differentiate between
- i. Financial Accounting and Cost Accounting
 - ii. Financial Accounting and Management Accounting
 - iii. Cost Accounting and Management Accounting
- 1.2 (a) What is 'cost'? Explain the difference between variable costs and fixed costs.
- (b) Differentiate between relevant and irrelevant costs and give an example using both.
- (c) Getting to University for your 8 a.m. class doesn't leave much time for breakfast, and you are quite hungry by the time class ends. It is a long walk to the cafeteria, the lines are long once you get there, and you find yourself having to decide between having breakfast and getting to your next class on time. Many of your friends have expressed the same problem. The administration has agreed to let you set up a table just outside the building where you will sell various snacks for \$1 each. You have agreed to pay the administration \$400 per month and salaries to your friends to run the business will be another \$400 per month. It will cost you 60 cents each to buy the pre-packaged snacks. You believe you can sell 2,500 snack packs per month.

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Required:

- What are the total fixed costs per month?
- What are the total variable costs per month?
- What is the fixed cost per snack pack?
- What is the variable cost per snack pack?
- What is the average cost per snack pack?
- What is the average profit margin per snack pack?
- Based on your analysis, should you start the snack pack business?

1.3 For each of the following cases, find the missing data. Each case is independent of the others.

	Case 1	Case 2	Case 3
Beginning direct materials	\$5,000	\$3,000	\$3,000
Purchases of direct materials	17,000	45,000	10,000
Ending direct materials	(a)	7,000	(m)
Direct materials used	(b)	(f)	6,000
Direct labor	16,000	(g)	4,000
Factory overhead	3,000	20,000	6,000
Total manufacturing costs	(c)	85,000	(n)
Beginning work-in-process	6,000	6,000	5,000
Ending work-in-process	6,000	4,000	(o)
Cost of goods manufactured	23,000	(h)	10,000

	Case 1	Case 2	Case 3
Sales	52,000	125,000	23,000
Beginning finished goods	8,000	7,000	7,000
Cost of goods manufactured	23,000	(i)	10,000
Ending finished goods	(d)	(j)	6,000
Cost of goods sold	27,000	(k)	(p)
Gross profit	(e)	60,000	(q)
Selling and administrative expenses	5,000	8,500	4,000
Net income	20,000	(l)	8,000

1.4 Paula Corporation is trying to predict its manufacturing overhead costs for the upcoming year; they are debating the use of the high-low method versus the use of regression analysis. They have gathered information about their manufacturing overhead costs in each of the past six months. A table containing their cost data and the associated machine hours in each month (the cost driver) follows.

Month	Manufacturing overhead costs	Number of machine hours
April	\$.17,000	14,250
May	\$.14,500	12,010
June	\$.13,250	10,280
July	\$.15,000	11,910
August	\$.13,500	11,080
September	\$.14,500	11,670

The company performed a regression analysis using the above data and had the following results.

Required:

- What is the cost equation if the high-low method is used to estimate costs?
- Using the high-low method, predict total manufacturing overhead costs if Paula Corporation uses 12,000 hours.
- What is the cost equation if regression analysis is used to estimate costs?
- Using the results from the regression analysis provided, predict total manufacturing overhead costs if Paula Corporation uses 12,000 hours.
- Which method (high-low or regression analysis) is a better predictor of total manufacturing overhead costs? Why?

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Bangladesh Open University
MBA Program
Semester: 201 (3rd Level)

Course: Management Accounting

Due on: February 24, 2023

(Assignment is to be presented in own handwriting on A4 size white pages)

Assignment & Class Performance Marks distribution	
Class works Home Works Presentations Quizzes	10
Assignment -1	10
Assignment -2	10

- 2.1 (a) "Cost-volume-Profit (C-V-P) analysis is based entirely on unit costs'. Do you agree? Explain.
- (b) Shafkat and Sanjana, two recent business school graduates, have decided to open their own copy service business on a part time basis. They estimate that their annual fixed costs are \$64,000 and their average variable cost for each copy sold at \$0.60. They expect their selling price to average \$1.40 per copy.
- Required:**
- Draw the break-even chart for their business, and indicate all the relevant costs.
 - What is their break-even point in Taka? In number of copies?
 - After their final year of operations, in which they generated \$1,68,000 in revenue, Shafkat and Sanjana decide to pay themselves each \$10,000 per year in salaries. What do their annual sales now have to be if they want to make the same amount of profit as they did in their final year?

- 2.2 (a) What is decentralization? What are its advantages and disadvantages?
- (b) The most recent monthly income statement for Reston Company is given below:

Reston Company
Income Statement
For the Month Ended May 31, 2014

Sales	\$ 900,000	100%
Less Variable expenses	408,000	45.3%
Contribution margin	492,000	54.7%
Less fixed expenses	465,000	51.7%
Net Income	27,000	3.0%

Management is disappointed with the company's performance and is wondering what can be done to improve profits. By examining sales and cost records, you have determined the following:

- The company is divided into two sales territories-Central and Eastern. The Central territory recorded \$4,00,000 in sales and \$2,08,000 in variable expenses during May. The remaining sales and variable expenses were recorded in the Eastern territory. Fixed expenses of \$1,60,000 and \$1,30,000 are traceable to the Central and Eastern Territories respectively. The rest of the fixed expenses are common to two territories.
- The company sells two products-Awls and Pows. Sales of Awls and Pows totaled \$1,00,000 and \$3,00,000 respectively, in the central Territory during May. Variable expenses are 25% of the selling price for Awls and 61% for Pows. Cost records show that \$60,000 of the Central Territory's fixed expenses are traceable to Awls and \$54,000 to Pows, with the remainder common to the two products.

Required:

Prepare a segment income statement

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- 2.3 (a) "The budget is an aid to management not substitute for management". Comment.
 (b) Kinsman, a retailer provides the following data for 2012 and 2013.

	December 31, 2012	December 31, 2013
Cash	\$ 200,000	\$ 78,000
Trade accounts receivable	84,000	140,000
Merchandise inventory	150,000	(98,000)
Accounts payable - merchandise	(95,000)	

Budgeted sales for 2013 are \$1,200,000; sales for 2012 were \$1,100,000. Cash sales average 20 percent of total sales each year. Cost of goods sold for 2013 is estimated to be \$840,000. Budgeted 2013 variable operating expenses are \$120,000. They vary in proportion to sales and are paid 50 percent in the year incurred and 50 percent the following year. Unpaid variable expenses are not included in accounts payable above.

Fixed operating expenses, including \$35,000 depreciation and \$5,000 uncollectible accounts expense, total \$100,000 per year. Such expenses involving cash payments are paid 80 percent in the year incurred and 20 percent the following year. Unpaid fixed expenses are not included in accounts payable above.

Required:

Prepare a cash budget for 2013 with supporting computations on cash collections from credit sales and cash disbursements for purchases of merchandise and operating expenses.

- 2.4 (a) What are the three major sections on a statement of cash flows, and what are the general rules that determine the transactions that should be included in each section?
 (b) Presented below are the comparative balance sheets for Canca Works Company as of December, 31.

**Canca Works Company
 Comparative Balance Sheets
 December 31**

<u>Assets</u>	<u>2021</u>	<u>2020</u>
Cash	\$38,000	\$45,000
Accounts receivable	49,500	52,000
Inventory	153,450	142,000
Prepaid expenses	15,780	21,000
Land	100,000	130,000
Equipment	228,000	155,000
Accumulated depreciation-equipment	(45,000)	(35,000)
Building	200,000	200,000
Accumulated depreciation-building	<u>(60,000)</u>	<u>(40,000)</u>
	<u>\$679,730</u>	<u>\$670,000</u>
<u>Liabilities and Stockholders' Equity</u>		
Accounts payable	\$35,730	\$40,000
Bonds payable	250,000	300,000
Common stock, \$1 par	200,000	150,000
Retained earnings	<u>194,000</u>	<u>80,000</u>
	<u>\$679,730</u>	<u>\$670,000</u>

Additional information:

- (i) Operating expenses include depreciation expense of \$42,000.
 (ii) Land was sold for cash at book value.
 (iii) Cash dividends of \$24,000 were paid.

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- (iv) Net income for 2013 was \$38,000.
- (v) Equipment was purchased for \$95,000 cash. In addition, equipment costing \$22,000 with a book value of \$10,000 was sold for \$8,100 cash.
- (vi) Bonds were converted at face value by issuing 50,000 shares of \$1 par value common stock.
- (viii) Net sales for 2013 totaled \$420,000.

Required:

- (a) Prepare a statement of cash flows for the year ended December 31, 2021, using the indirect method.
- (b) Compute free cash flow for 2021.


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Bangladesh Open University
MBA Program
Semester: 201 (3rd Level)

Course: Marketing Management

Due on: January 06, 2023

Instructions for Assignment Submission

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Questions

1. (a) Define holistic marketing.
 (b) IKEA started off by expanding to markets relatively close in terms of culture as to its home country (Sweden) before targeting more challenging geographic areas such as China and the Middle-East. The company has positively determined its ways to enter foreign markets as part of its intensive growth strategy. Is it adopting market penetration strategy, market development or product development? Identify the strategy and give your logic.
 (c) Discuss different types of market growth strategies that help a company take its current business portfolio to the desired sales status.
2. (a) Point out the contents of a Marketing Plan.
 (b) Distinguish between demand forecasting and demand measurement by drawing examples from real business perspectives.
 (c) Product positioning is a blend of differentiation and segmentation. This means that the brand needs to establish a differential position to stand at the head of its market segment. Describe how an FMCG company develops the positioning strategy for its new brand of edible oil.
3. (a) How does a market leader manage its new product development process?
 (b) Discuss market challenger strategies with examples drawn from Bangladeshi company perspectives.

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Bangladesh Open University
MBA Program
Semester: 201 (3rd Level)

Course: Marketing Management

Due on: February 24, 2023

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1. (a) Mention the business factors causing rapid adoption of marketing management.
 - (b) How does a local airlines company assess the strengths and weaknesses of their competitors?
 - (c) Samsung is operating in businesses varying from computers, phones and refrigerators to chemicals, insurances and hotel chains. What kind of diversification growth strategy is it applying? Identify the strategy, give other examples and state logic in favor of your answer.
2. (a) What do you mean by product line extension and brand extension?
 - (b) What challenges are involved in the new product development process?
 - (c) Briefly describe the marketing strategies adopted by a marketer throughout the life span of a leading bottled drinking water brand.
3. (a) State the product mix and product line decisions.
 - (b) How does an edible oil brand marketer plan on developing and managing effective marketing communication campaign for its health-conscious urban consumer segment?


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Bangladesh Open University MBA Program Semester: 201 (3rd Level)

Course: Strategic Management

Due on: January 06, 2023

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Questions

- "Strategic management is a stream of decisions and actions" what do you mean by this statement? Explain in your own views.
 - Every manager must have a clear understanding of the relevant concepts as well as the basic issues of strategic management. What are these issues? Explain.
 - What do you mean by objective? Explain with SMART example.
- Explain why environmental analysis is considered to be an important activity for the strategy formulation process of your organization.
 - How does business organization can respond to face the environmental factors?
- What is industry analysis? Porter's Model helps with the structural analysis of the environment. How does this model work? Explain with the example of using your own organization.
 - Pepsi Cola soft Drink company have four point Agenda are:
 - Cost leadership – become the cheapest manufacturer, in order to compete on price.
 - Endeavour to offer differentiated products and services at all times.
 - Acquire RC Cola, the fourth leading soft drinks manufacturer and distributor in Bangladesh, and
 - Diversify i.e. offer consulting services and logistics management (involving distribution of other manufacturers' products) in addition to producing the Livewell and bottled mineral water products.

Required Questions

- Identify the appropriate strategies of the Pesi cola company.
- Analysis the appropriateness and implications of the strategies.

Bangladesh Open University
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Semester: 201 (3rd Level)

Course: Strategic Management

February 24, 2023

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1.
 - (a) What do you mean by competitive strategy? Explain the essential requirements for achieving competitive advantages.
 - (b) Explain in brief the Michael Porter's four generic competitive strategies that can be applied in any business organization irrespective of size and nature of products.
 - (c) Explain the strategic option that takes the organization away from its existing products and markets showing its main advantages and disadvantages and the appropriate methods for its implementation?

2.
 - (a) What is a cooperative strategy? Explain the nature and importance of cooperative strategies.
 - (b) A company's cost competitiveness depends on how well it manages its value chain relative to competitors. Sustainable competitive advantage can be created by managing the value chain better than rivals and developing distinctive capabilities to serve customers. Activities in the value chain affect one another. For example, more costly product design or better quality production might reduce the need for after-sales service. What are your plans to achieve sustainable advantages for your own company? Explain.

3.
 - (a) Is strategy formulation an intellectual process? How is it different from strategy implementation?
 - (b) Basundhara is a service company? Two years back the company hired a reputed management consultant to formulate its strategy. The consultant recommended an aggressive expansion plan. Now in an internal review meeting the company finds that many of the suggestions are not even fully considered. Which part of strategic management process is missing in Basundhara? Explain.


4. **Read the following case carefully and answer the questions that follow.**
Duke's Business Plan
 As the business team sits at their round countenance table, Rita brings up an issue now near to heart. She has just become engaged to Duke, who works for Pepsi Co. Duke is worried about his new job. Coke's CEO Robert Goizueta has created more wealth for shareholders than any CEO in history with the single focused strategy of making Coke the domestic and international drinks. On the other hand, Pepsi is a conglomerate with domestic and international drinks; restaurant such as Sonargaon, Sheraton, Sundarban, and Pizza Hut etc.; Bottling operations. While Coke has been focused on selling Coke, Pepsi has diversified; pouring billions of dollars into the other capital-intensive business. Some think Pepsi has lost cola wars, both in Bangladesh and overseas. Duke wants the teams advise about what strategic help he can give his new boss.
Requirements:
 - a. Taking the steps in the strategic process in order, what advice do you think the team should give Duke?
 - b. What factor do you think have led Pepsi to choose its strategy instead of Coke's strategy?
 - c. What strategic planning changes would you recommend to Pepsi and why?

শুণ অব বিজ্ঞেস
Bangladesh Open University
MBA Program
Semester: 201 (3rd Level)

Course: Managerial Finance

Due on: January 06, 2023

Instructions for Assignment Submission

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Questions

1. Define finance and the managerial finance function. Describe the goal of the firm, and explain why maximizing the value of the firm is an appropriate goal for a business.
2. Explain why each of the following situations is an agency problem and what costs to the firm might result from it. Suggest how the problem might be dealt with short of firing the individual(s) involved.
 - (a) The front desk receptionist routinely takes an extra 20 minutes of lunch time to run personal errands.
 - (b) Division managers are padding cost estimates so as to show short-term efficiency gains when the costs come in lower than the estimates.
 - (c) The firm's chief executive officer has had secret talks with a competitor about the possibility of a merger in which she would become the CEO of the combined firms.
 - (d) A branch manager lays off experienced full-time employees and staffs customer service positions with part-time or temporary workers to lower employment costs and raise this year's branch profit. The manager's bonus is based on profitability.
3. Why is the study of managerial finance important to your professional life regardless of the specific area of responsibility you may have within the business firm? Why is it important to your personal life?

Note: Submit your assignment to the Coordinator of the Study Center you are attached with.

4.
 - (a) You are the chief financial officer (CFO) of Gaga Enterprises, an edgy fashion design firm. Your firm needs \$10 million to expand production. How do you think the process of raising this money will vary if you raise it with the help of a financial institution versus raising it directly in the financial markets?
 - (b) Michaels Corporation expects earnings before interest and taxes to be \$40,000 for the current period. Assuming an ordinary tax rate of 40%, compute the firm's earnings after taxes and earnings available for common stockholders (earnings after taxes and preferred stock dividends, if any) under the following conditions:
 - i. The firm pays \$10,000 in interest.
 - ii. The firm pays \$10,000 in preferred stock dividends.
5. Financial ratio analysis is often divided into five areas: liquidity, activity, debt, profitability, and market ratios. Differentiate each of these areas of analysis from the others. Which is of the greatest concern to creditors?
6. What is financial leverage? What ratio measures the firm's degree of indebtedness? What ratios assess the firm's ability to service debts?
7. Philagem, Inc., ended 2012 with a net profit before taxes of \$218,000. The company is subject to a 40% tax rate and must pay \$32,000 in preferred stock dividends before distributing any earnings on the 85,000 shares of common stock currently outstanding.
 - (a) Calculate Philagem's 2012 earnings per share (EPS).
 - (b) If the firm paid common stock dividends of \$0.80 per share, how many dollars would go to retained earnings?
8. XYZ Enterprises began 2012 with a retained earnings balance of \$928,000. During 2012, the firm earned \$377,000 after taxes. From this amount, preferred stockholders were paid \$47,000 in dividends. At year-end 2012, the firm's retained earnings totaled \$1,048,000. The firm had 140,000 shares of common stock outstanding during 2012.
 - (a) Prepare a statement of retained earnings for the year ended December 31, 2012, for Hayes Enterprises. (Note: Be sure to calculate and include the amount of cash dividends paid in 2012.)
 - (b) Calculate the firm's 2012 earnings per share (EPS).
 - (c) How large a per-share cash dividend did the firm pay on common stock during 2012?

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Course: Managerial Finance

Due on: February 24, 2023

(Answer all the questions in own handwriting on A4 size white pages)

Questions

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1. What is the internal rate of return (IRR) on an investment? How is it determined? What are the acceptance criteria for IRR? How are they related to the firm's market value? Do the net present value (NPV) and internal rate of return (IRR) always agree with respect to accept-reject decisions? With respect to ranking decisions? Explain.
2. Oak Enterprises accepts projects earning more than the firm's 15% cost of capital. Oak is currently considering a 10-year project that provides annual cash inflows of \$10,000 and requires an initial investment of \$61,450. (Note: All amounts are after taxes.)
 - (a) Determine the IRR of this project. Is it acceptable?
 - (b) Assuming that the cash inflows continue to be \$10,000 per year, how many additional years would the flows have to continue to make the project acceptable (that is, to make it have an IRR of 15%)?
 - (c) With the given life, initial investment, and cost of capital, what is the minimum annual cash inflow that the firm should accept?
3. Covol Industries is developing the relevant cash flows associated with the proposed replacement of an existing machine tool with a new, technologically advanced one. Given the following costs related to the proposed project, explain whether each would be treated as a sunk cost or an opportunity cost in developing the relevant cash flows associated with the proposed replacement decision.
 - (a) Covol would be able to use the same tooling, which had a book value of \$40,000, on the new machine tool as it had used on the old one.
 - (b) Covol would be able to use its existing computer system to develop programs for operating the new machine tool. The old machine tool did not require these programs. Although the firm's computer has excess capacity available, the capacity could be leased to another firm for an annual fee of \$17,000.
 - (c) Covol would have to obtain additional floor space to accommodate the larger new machine tool. The space that would be used is currently being leased to another company for \$10,000 per year.
 - (d) Covol would use a small storage facility to store the increased output of the new machine tool. The storage facility was built by Covol 3 years earlier at a cost of \$120,000. Because of its unique configuration and location, it is currently of no use to either Covol or any other firm.
 - (e) Covol would retain an existing overhead crane, which it had planned to sell for its \$180,000 market value. Although the crane was not needed with the old machine tool, it would be used to position raw materials on the new machine tool.

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4. Lara Fredericks is interested in two mutually exclusive investments. Both investments cover the same time horizon of 6 years. The cost of the first investment is \$10,000, and Lara expects equal and consecutive year-end payments of \$3,000. The second investment promises equal and consecutive payments of \$3,800 with an initial outlay of \$12,000 required. The current required return on the first investment is 8.5%, and the second carries a required return of 10.5%.
 - (a) What is the net present value of the first investment?
 - (b) What is the net present value of the second investment?
 - (c) Being mutually exclusive, which investment should Lara choose? Explain.
 - (d) Which investment was relatively more risky? Explain.

5. What is the general relationship among operating leverage, financial leverage, and the total leverage of the firm? Do these types of leverage complement one another? Why or why not?

6. Data-Check is considering two capital structures. The key information is shown in the following table. Assume a 40% tax rate.

Source of capital	Structure A	Structure B
Long-term debt	\$100,000 at 16% coupon rate	\$200,000 at 17% coupon rate
Common stock	4,000 shares	2,000 shares

- (a) Calculate two EBIT–EPS coordinates for each of the structures by selecting any two EBIT values and finding their associated EPS values.
 - (b) Plot the two capital structures on a set of EBIT–EPS axes.
 - (c) Indicate over what EBIT range, if any, each structure is preferred.
 - (d) Discuss the leverage and risk aspects of each structure.
 - (e) If the firm is fairly certain that its EBIT will exceed \$75,000, which structure would you recommend? Why?

7. Security Data Company has outstanding 50,000 shares of common stock currently selling at \$40 per share. The firm most recently had earnings available for common stockholders of \$120,000, but it has decided to retain these funds and is considering either a 5% or a 10% stock dividend in lieu of a cash dividend.
 - (a) Determine the firm’s current earnings per share.
 - (b) If Sam Waller currently owns 500 shares of the firm’s stock, determine his proportion of ownership currently and under each of the proposed stock dividend plans. Explain your findings.
 - (c) Calculate and explain the market price per share under each of the stock dividend plans.
 - (d) For each of the proposed stock dividends, calculate the earnings per share after payment of the stock dividend.
 - (e) What is the value of Waller’s holdings under each of the plans? Explain. f. Should Waller have any preference with respect to the proposed stock dividends? Why or why not?


Note: Submit your assignment to the Coordinator of the Study Center you are attached with.

শুন্ন অব বিজনেস
Bangladesh Open University
MBA Program
Semester: 201 (3rd Level)

Course: Operations Management

Due on: January 06, 2023

Instructions for Assignment Submission

	<p>1. Assignments must be submitted on A4 size paper in own hand writing.</p> <p>2. Completed cover must be used on the top of each assignment as per the specimen cover page in the Semester Calendar)</p> <p>3. Assignments must be submitted to the coordinator of the study center you are attached with.</p>	<p>Assignment & Class Performance Marks distribution</p> <hr/> <p>Class works } Home Works } 10 Presentations } Quizzes }</p> <p>Assignment -1 } 10</p> <p>Assignment -2 } 10</p>
	<p>4. Spiral binding must be avoided. Instead, transparent folder or file cover or any other soft binding may be used.</p>	
	<p>5. Contact e-mail address & Cell Phone and Land Phone numbers must be written on the cover page clearly. If your e-mail address is not yet added to our e-mail list, please send a mail to the coordinator of your study center with subject "Add Me".</p>	
	<p>6. In the case of delayed submission, the School will not acknowledge the submission of the assignment(s) and will not be responsible for any damage or loss of the assignment(s).</p>	
<p>7. If it is noticed that your assignment is copied from another student's assignment, your assignment will be cancelled automatically.</p>		

Questions

1. Differentiate Between:
 - i. Product and Productivity.
 - ii. Goods and Services.
2. Why is productivity important? What are the measurement problems that occur when one attempts to measure productivity? What are the five reasons productivity is difficult to improve in the service sector.

3. a) Given below are the figures of sales of a sugar factory:

Year	2010	2011	2012	2013	2014
Sales (in Tonnes)	40	45	46	42	47

Fit a straight line trained by the method of least square and estimate the likely sales for the year 2017.

- b) A wholesale shop has experienced weekly demand of rice of $D_1 = 20$, $D_2 = 22$, $D_3 = 24$, and $D_4 = 26$ tons over the past four weeks for the month of August.

Requirement

1. Forecast demand for the first week of September using a four-period moving average.
2. What is the forecast error if demand in the first week of July turns out to be 27 tons? What will be the revised estimate of level for Period 5?

Note: Submit your assignment to the Coordinator of the Study Center you are attached with.

4. A company that produces concrete paving slabs is introducing a new range of 'textured' non-slip products. To do this it must invest in a new machine. Demand is forecast to be around 10,000 units per month for the first year and approximately 24,000 units per month after that. The machines that produce these products have a capacity of 10,000 units per month. They have a fixed cost of £20,000 per month and a variable cost of processing of £1 per unit. The company has forecast that it will be able to charge £4 per unit. It has been suggested that it would make higher profits if sales were restricted to 20,000 units per month in the second year. Is this true?

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Bangladesh Open University
MBA Program
Semester: 201 (3rd Level)

Course: Operations Management

Due on: February 24, 2023

(Answer the all questions in own handwriting on A4 size white pages)

Assignment & Class Performance Marks distribution	
Class works Home Works Presentations Quizzes	} 10
Assignment -1	} 10
Assignment -2	} 10

- Under what circumstances might a market driven approach or a technology driven approach to product design be the best approach?
- Discuss the components of service triangle. Point out the seven generalizations of services.
- A local shop has a relatively stable demand for tins of sweetcorn throughout the year, with an annual total of 1,400 tins. The cost of placing an order is estimated at £15 and the annual cost of holding inventory is estimated at 25 per cent of the product's value. The company purchases tins for 20p. How much should the shop order at a time, and what is the total cost of the plan?

4. Read the following case carefully and answer the questions that follow:

Modern aircraft fly on automatic pilot for most of the time. Most people are blissfully unaware that when an aircraft lands in mist or fog, it is a computer that is landing it. When autopilots can do something better than a human pilot, it makes sense to use autopilots. They can take control of the plane during the long and (for the pilot) monotonous part of the flight between take-off and landing. They can also make landings, especially when visibility is poor because of fog or light conditions. In fact, automatic landings when visibility is poor are safer than when the pilot is in control. On some flights, the autopilot is switched on within seconds of the aircraft wheels leaving the ground and then remains in charge throughout the flight and the landing. As yet, commercial flights do not take off automatically, mainly because it would require airports and airlines to invest in extra guidance equipment, which would be expensive to develop and install. Also, take-off is technically more complex than landing. Yet some in the airline industry believe that technology could be developed to the point where commercial flights can do without a pilot on the aircraft entirely.

If it was developed, what would be the problems and benefits associated with introducing this type of technology?

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