



Plot No. 2, Knowledge Park-III, Greater Noida (U.P.)–201306

POST GRADUATE DIPLOMA IN MANAGEMENT (2017-19)
MID TERM EXAMINATIONS (TERM -II)

Subject Name: **Operations Management**
Sub. Code: **PG14**

Time: **01.30 hrs**
Max Marks: **20**

Note:

- 1. Writing anything except Roll Number on question paper will be deemed as an act of indulging in unfair means and action shall be taken as per rules.**
- 2. All questions are compulsory in Section A, B & C. Section A carries Case Study with 2 questions, 4 marks each. Section B carries 3 questions of 2 marks each and Section C carries 2 questions of 3 marks each.**

SECTION – A

04+04 = 08 Marks

Q. 1: Case Study: Ryanair

Ryanair, the low-cost airlines is an example of an operation that has placed itself at an extreme trade-off position, by sacrificing service functionality for low cost. They also credit Southwest Airlines as the original, and still the best of these focused airlines. Southwest Airlines is the only airline that has been consistently profitable every year for over thirty year. It is also now one of the largest airlines in the world by value.

Ryanair was set up in 1985 and is one of the oldest and most successful low-cost airlines of Europe. In fact, Ryanair was one of the first independent airlines in Ireland. It began by offering low-cost no-frills services between Ireland and London. Ryan brothers – Catlan, Declan and Shane Ryan were the founding shareholders of Ryanair. Many believed that Ryanair was like the Wal-Mart and Southwest Airlines of Europe. Ryanair operates on more than 1,000 routes across Europe. In 2016, Ryanair has more than 370 Boeing 737-800 planes and over 11,000 employees, of which 1,200 are pilots. Ryanair is the biggest airline in Europe by the number of passengers served annually. The strategy of Ryan Airline has been consistent since it was founded, to get its passengers to their destinations when they want to get there, on time, at the lowest possible fares, and make sure that they have a good time doing it.

The mission of Ryanair is to offer low-fares that generate increased passenger traffic while maintaining a continuous focus on cost containment and efficiency operation. For over thirty years, it has introduced a series of cost saving innovations. Unlike most airlines, it provided simple snacks (originally only peanuts) instead of full meals. This not only reduced costs but also reduced turn round time at airports. Because there are no meals there is less mess to clear up and also less time is needed to prepare the galley and load up the aircraft with supplies.

In 2000, Ryan launched Europe's largest booking website –www.ryanair.com and within 3 months, it has taken over 50,000 bookings per week. It saved significant cost as there is no agent, customers can directly book the ticket. Also, Passengers were sold tickets without a seat allocation (simpler and faster) and expected to seat themselves (faster). Originally, boarding passes were plastic and reusable and the company was one of the first to use electronic tickets. Also with the introduction of online check in, the need for employees has fallen. They used the young staffs and recently-qualified pilots and most staff from European countries with lower wages than the staff from UK. Ryan airline use secondary airports that are farther away to reduce the landing cost and government fees. Although most airlines at the time used a range of different aircraft for different purposes, Ryan has consistently stuck with Boeing 737s since it started. This significantly reduces maintenance costs, reduces the number of spare parts needed and makes it easier for pilots to fly any aircraft. Their employee involvement practices were designed to empower employees to take responsibility for maintaining high efficiency and high-quality of service with profit sharing plans

for almost all employees and innovative stock options plans for its pilots. The result has been what some claim to be the most productive work force in the airline industry.

Questions:

- (i) What is the operations strategy of Ryanair, and how does it help them to become top European Airline?
- (ii) What are different cost saving and innovative models Ryan airlines has applied for product development and process to offer low cost airline services? Support your answer with different measures taken in case.

SECTION – B

02×03 = 06 Marks

Q. 2: What are the challenges in process design in services?

Q. 3: Explain mass customization? List down types of mass customization

Q. 4: Describe project process and batch process in product process with suitable examples?

SECTION – C

03×02 = 06 Marks

Q.5.What type of management decisions are the part of operations subsystem in organization?

Explain briefly.

Q. 6.Explain different types of service processes with suitable industry examples?