



IB Business Management: IBBusinessManagement.com

5.1 OPERATIONS METHODS: EXAM PRACTICE QUESTION

Read the case study information below and answer the questions that follow.

PRODUCTION AT BMW



The Mini was one of the few parts of the former Rover group to be retained by BMW following its takeover in 1994. The Mini was seen as a valuable brand by BMW and it continued to develop it with the introduction of new models in 2006, 2010, 2016 and 2022. Production of the car was transferred to the Cowley plant in Oxford and the company spent £230 million on improvements to production facilities. The plant currently produces over 210,000 vehicles a year, but BMW is keen to

increase this further.

BMW changed the culture of the organisation by introducing a new way of working at Cowley. It moved away from the traditional mass/flow production to production based on mass customisation. Customers can now specify variations to their new cars, tailoring design

5.1 Operations Methods: Exam Practice Question

features such as colour, seat fabrics, engine size, etc. Changing its operations methods has had various implications for BMW, both positive and negative.

QUESTIONS: 25 MARKS, 45 MINUTES

1. Define the following terms:

- a. Flow production
- b. Job rotation

[4 marks]

2. Analyse **two** disadvantages BMW may have encountered using flow production.

[6 marks]

3. Explain the characteristics of mass customisation.

[6 marks]

4. Evaluate the decision of BMW of switching its production of the Mini from flow production to mass customisation.

[9 marks]