

5.2A: Operations Methods Activity



IB Business Management: IBBusinessManagement.com

5.2 OPERATIONS METHODS: ACTIVITY A

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

SUNBURST BAKERIES



Sunburst Bakeries is a supplier of all kinds of bread and cakes to leading supermarkets. It has a huge factory and makes the entire range of products – no finished items are bought in from other bakers. Production facilities are split into three main areas. Different production methods are used in these three areas.

The demand patterns for three of the best-known Sunburst products are very different. Standard loaves are bought by supermarkets every day, all year round. There is some variation in demand through the seasons – but very little. Large, family-sized cakes are mainly bought at weekends – whereas doughnuts are most often bought midweek for children's lunch boxes. Finally, the business is famous for its handmade wedding cakes, each one to a different design. There have been rumours among the workers that one section of the factory that uses batch production might be converted into mass/flow production.

5.2A: Operations Methods Activity

QUESTIONS: 20 MARKS, 40 MINUTES

1. Distinguish between **job** production and **batch** production. **[6 marks]**
2. For each of the three products referred to explain an appropriate production method which could be used. **[8 marks]**
3. Analyse the possible effects on Sunburst's stock levels and profitability if it replaced batch production with mass/flow production. **[8 marks]**