# ESSENTIAL OPERATIONS MANAGEMENT Second Edition

# **Chapter Learning Objectives**

Click on the links that follow to access the objectives for each chapter of the book

#### **PART ONE – INTRODUCTION**

- **1** Managing Operations
- 2 Operations Strategy

#### PART TWO – DESIGNING AND DELIVERING SERVICES AND PRODUCTS

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**12 Improving Operations** 

#### **Chapter 1: Managing operations**

After completing this chapter, you should be able to:

- Explain the role of operations management in an organization
- Appreciate the dimensions that make up the operations management task
- Identify where the operations function fits within an organization
- Illustrate the crucial role of operations management in organizational success
- Understand how companies must integrate corporate social responsibility with their business operations
- Appreciate how the chapters that follow will help you build your operations management knowledge

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#### **Chapter 2: Operations Strategy**

- Appreciate how, in large organizations, strategy has evolved into three levels corporate, business unit and functional
- Distinguish between an executive's day-to-day and strategic roles
- Identify how business unit and functional strategies interface with each
  other
- Appreciate why the critical first step in developing a functional strategy is agreeing the order-winners and qualifiers for the different markets in which a business competes
- Understand the strategic mix within most organizations of being both market-driven and market-driving
- Develop and implement an operations strategy

#### **Chapter 3: Designing Services and Products**

After completing this chapter, you should be able to:

- Appreciate the key role of new service and product development as the lifeblood of an organization
- Identify the alternative strategies in service and product innovation
- Differentiate between long-term and tactical programmes
- List the steps involved in designing and developing resources and products
- Recognize and use the insights that can be gained by placing services or products into the correct positions on their respective life cycles and into the portfolio analysis grid
- Select from and use a range of techniques and approaches related to design.
- Understand how environmental and social impact should factor in design decisions according to an organization's corporate social responsibility agenda

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## **Chapter 4: Delivering Services**

- Recognize the technical and business requirements that need to be met when delivering services
- Identify the distinctive characteristics of service operations
- Understand the difference between categories of service and types
  of service delivery system

- Explain the approach to the overall design of service delivery systems
- List the key phases in the detailed design of service delivery systems
- Give examples of the impact of IT on the design of service delivery systems

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## **Chapter 5: Making Products**

After completing this chapter, you should be able to:

- Recognize the technical and business requirements when making
  products
- Describe the manufacturing process decision and how it is influenced by the volume of demand
- Define the different types of manufacturing process project, jobbing, batch, line and continuous processing
- Identify the difference between categories of product and types of manufacturing process
- Appreciate the key business implications of the types of manufacturing process
- Explain why hybrids such as cells may be introduced

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# **Chapter 6: Location and Layout**

- Recognize the levels at which decisions about location must be made, and the background issues that affect the choice of location for a facility or outlet
- Describe the various techniques for choosing a location and explain how they work
- Outline the factors that influence the choice of layout and the key features of each of the basic types of layout, as well as the layouts for hybrid delivery systems
- Explain the process of layout design

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#### **Chapter 7: Managing Capacity**

After completing this chapter, you should be able to:

- Understand the nature of capacity and the mix of resources involved
- Appreciate the purpose of managing capacity and the impact of having too little and too much capacity
- Explain how to define and measure capacity in different organizations
- Appreciate the differences between capacity, utilization and efficiency
- Understand the factors involved in determining the level of capacity required
- Appreciate the demand-related and capacity-related issues of determining capacity levels
- Explain the steps in capacity planning
- Recognize the key factors in managing demand and capacity

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# **Chapter 8: Scheduling and Executing Operations**

After completing this chapter, you should be able to:

- Appreciate the key role of operations scheduling within a business
- Recognize the different types of operations scheduling system and for which businesses each is appropriate
- Formulate a simple bar chart and network analysis
- Explain the elements of a material requirements planning system
- Appreciate how manufacturing resource planning and enterprise resource planning have developed and how they supplement a material requirements planning system
- Explain how enterprise resource planning works
- Understand the just-in-time approach both in terms of its role as a scheduling system and as a philosophy of operations management
- Understand how optimized production technology works

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#### **Chapter 9: Managing Inventory**

- Explain the different types of inventory and their roles
- Show the presence of the different types of operations inventory in manufacturing processes and service delivery systems
- Review the approaches to address the key inventory questions relating to:
  - What items to hold in stock
  - How much to hold, and how much and when to order

- Examine the different inventory systems and identify which should be used for different types of business
- Understand how to analyze inventory in order to keep levels to a minimum

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#### **Chapter 10: Managing Quality**

After completing this chapter, you should be able to:

- Explain what quality is and why it is important
- Understand the stages involved in managing quality conformance
- Apply alternative tools and techniques to improve quality conformance
- Critically evaluate the quality conformance levels within an organization and suggest improvements
- Understand the alternative approaches to managing quality
- Propose and substantiate quality improvements within a given operational context

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#### **Chapter 11:** Managing the Supply Chain

- Define what a supply chain is and outline the steps that make up the chain
- Explain the factors that affect the design of a supply chain, including the decision to make or buy, the alternatives to making or buying

and the issues surrounding outsourcing, both domestically and offshore

- Understand the strategic factors driving the trend towards inshoring or reshoring manufacturing tasks or service provisions which had previously been outsourced
- Understand the processes of managing and developing supply chains, and the techniques used in these approaches
- Outline the benefits of effectively managing supply chains

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#### **Chapter 12: Improving Operations**

After completing this chapter, you should be able to:

- Explain why companies need to improve their operations
- Understand how operations can be improved to release cash, improve market support and reduce costs
- Apply alternative improvement approaches, tools and techniques to identify improvement opportunities within a company
- Critically evaluate the differing improvement approaches used by organizations
- Understand the alternative approaches to making improvements
- Propose and substantiate improvements within a given operational context

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