

Aspects	Typical characteristics of process choice				
	Project	Jobbing	Batch	Line	Continuous processing
Products and markets					
Type of product	Specials/small range of standards	Specials		Standard products	Standard products
Product range	Wide	Wide		Narrow	Very narrow
Customer order size	Small	Small		Large	Very large
Level of product change required	High	High		Low and within agreed options	None
Rate of new product introductions	High	High		Low	Very low
What does a company sell?	Capability	Capability		Standard products/commodities	Standard products/commodities
How are orders won?	Delivery speed/unique capability	Delivery speed/unique capability/repeat business		Price	Price
Order-winners					
Qualifiers	Price/on-time delivery/quality conformance	Price/on-time delivery/quality conformance	On-time delivery/quality conformance	On-time delivery/quality conformance	On-time delivery/quality conformance
Operations					
Nature of the process	Oriented towards general purpose	General purpose		Dedicated	Highly dedicated
Process flexibility	High	High		Low	Inflexible
Operations volumes	Low	Low		High	Very high
Dominant utilization	Mixed	Labour		Plant	Plant
Changes in capacity	Incremental	Incremental		Stepped change	New facility
Key operations task	To meet specification/delivery schedules	Responsive to changes in specification/delivery date requirements and changes		Low-cost operations	Low-cost operations
Investment and cost					
Level of capital investment	Variable	Low		High	Very high
Level of inventory					
Components/raw materials	As required	As required/low	Often medium	Planned with buffer stocks/low	Planned with buffer stocks
Work-in-progress	High <sup>1</sup>	High <sup>1</sup>	Very high	Low	Low
Finished goods	Low	Low		High <sup>2</sup>	High <sup>3</sup>
Percentage of total costs					
Direct labour	Low	High		Low	Very low
Direct materials	High	Low		High	Very high
Site/plant overheads	Low	Low		High	High
Infrastructure					
Appropriate organizational					
Control	Decentralized/centralized	Decentralized		Centralized	Centralized
Style	Entrepreneurial	Entrepreneurial		Bureaucratic	Bureaucratic
Most important operations management perspective	Technical know-how	Technical know-how		Business	Technology
Level of specialist support to operations	High	Low		High	Very high

NOTES

1 This would depend on stage payment arrangements.

2 However, many businesses here only make against customer schedules or on receipt of a customer order.

3 The finished goods inventory in, for instance, oil refining is stored in the postprocessing stages of distribution and at the point of sale.