

Production scheduling and control



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Operations management may be defined as the planning, scheduling and control of the processes that a firm or organization undergoes to produce or deliver goods and services (Bicheno, J. and Elliot, B. R., 1997, p. 9). However, for a breakthrough teppanyaki-style restaurant during the 1960's and 70's, operations management was simply its key to success.

This epitome of operations management success is Benihana, the brainchild of Japanese Hiroaki Aoki. Benihana operated quite differently from the other restaurants of its time because it used the “ batching” system in seating its customers. Batching was done by having customers waiting in queue sit at the bar until a table is freed. Then, these customers are led inside in batches of eight (8). Thus, there were several occasions when complete strangers would be seated in one table but very few instances when a table seats less than it can fully accommodate.

This queer but very revolutionary idea did what it was supposed to do --- maximize throughput. Throughput is another simple yet very underutilized factor in running a business. In simple words, throughput “ is a sales-building concept measured by sales per hour” (Florence, 2008). Maximized throughput leads to maximized sales which consequently leads to maximized profits.

The simulation that was used showed how efficient and effective batching is especially during the peak hours because it was able to significantly reduce the presence of variability in the business operations. Variability is the main culprit in not achieving full utilization of a restaurant's capacity and thus not maximizing throughput (Ernst and Schmidt, 2005).

Batching removes variability by making sure that a table is fully maximized because it seats the exact number which it is supposed to, not leaving an

empty seat and thus not wasting capacity. The graph that was provided in the website clearly shows that with batching, more people are seated and the number of those waiting in queue or at the bar is reduced. Also, because customers are seated much faster, fewer customers are lost with batching than without.

This great idea translates to the ultimate goal of any business --- achieve maximum profitability of the operations. Batching does that exactly. Because more people are seated, more people are served and that translates to profit. Because people do not wait too long in queue, they are more satisfied and that also translates to profit. In fact, figures from the simulation activity show that while batching created a profit of \$324, its counterpart run without batching incurred a loss of \$164.

The simulation activity likewise showcases how operations management plays an important role in running a business. That is, when the processes involved in running a business are well planned out, they are easy to schedule and are controlled more efficiently and effectively. This makes one realize that operations management is not an easy task. As operations manager, one is constantly challenged to make sure that the products produced and the services delivered are in sync with the company's business strategy. Successful operations managers must constantly think of ways to ensure that their staff members work efficiently, their operating systems function without a hitch, and that clients are serviced with the least waiting time and as few hassles as possible.

Furthermore, the given activity clearly shows how effective computer-based simulations are as a learning mechanism. Because we were able to input the applicable variables ourselves, we witnessed first-hand (though only via a <https://assignbuster.com/production-scheduling-and-control/>

computer monitor) how differences in these variables affected the given scenario. In fact, I would greatly appreciate the opportunity to be able to explore the other “ games” in the website and see for myself the different principles of operations management at work.

References:

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