Operations strategies essay

Business, Strategy



In operations strategies, there are many examples of strategies an organization might choose from. In virtually every situation, operation manager and his team should discover that certain issues or strategies are more important than others. An organizational should identify its goal of operational so that they can set their strategies priorities accordingly.

Generally, most important strategies in organizational is cost effective or in other words to bring down the cost of production and operation to the lowest possible. One of the example is to reduce raw materials cost and outsource operations to third world countries that have low labor costs. One of the examples of organization that imply low cost in their operation is Southwest Airlines. Another strategy in organizational that usually considered as the second priorities is high quality performance and design or processing. In this strategy, operation team goal is to focus on achieving higher quality than competitors in any aspects of their product as possible.

Example of organizational that should use this strategy is five star restaurants or hotels. For an organizational that considers innovation as their main goal, newness should be prioritized as their main strategy. Newness is mainly focus on innovation to create new products or services. It could also be implied when improvement on existing product or service from its competitors which suit the customer needs with respect to the technologies and trend developments. Short time or quick time response to customer needs should also be considered as priority in an organization strategy. On time delivery is usually relates with this strategy as in today world, customer needs on and in time service or product. An organization that could provide quick response also has the advantage over its slow response competitors.

Example companies take this strategy as priority are Express Mail and Domino's Pizza. In an organization, these priorities sometime changed over the years. It strongly been influenced by the market place, trend and customers needs. Operation manager should reconsider to interchange the operation strategies priorities in line with company organizational goal.

These strategies priorities mainly interchange each other but the most importantly it should minimize affect on company net profit. For example, to produce high quality product or services, the cost of production will be increased but it will compensate by the sales/revenue boost by the introduction of high quality product or services.