

Two hotels

Business, Management



What is the overlap between operations, marketing and product/service development at Acme Whistles? The simple answer to this question is, 'There is a very significant overlap between these functions'. The underlying question is Why? Partly, the reason is size. As Simon Ottoman says in the example, small companies cannot afford specialist functions so at a managerial level everyone does everything to some extent. This becomes especially true when the boss of the company is also the owner, it is literally his own money that is being spent when creating any new managerial roles.

Partly also the tradition and competitive stance of the company has an influence. This is a company that competes on quality and innovation. Both these things rely on informal communications within the organization and a fast moving, agile ability to check out and implement new ideas. Oxford 1

What are the main issues facing Sofa's operations managers? Broadly, Oxford will have the same issues as any other operation. They must define their strategic objectives, design appropriate processes that deliver appropriate services, plan and introduce those processes, and continually adapt and improve how they deliver their services.

But they also have some particularly difficult challenges because of their status as an emergency and caring organization. They must provide a global service. By definition, Sofa's scope of operations is global. Anywhere a disaster is likely to strike could receive the attention of the charity. However, much of Sofa's work is not concerned with the high profile disaster relief side of its business, but rather the ongoing community development projects it undertakes. Most of these projects will be in the poorer, less developed parts of the world.

The Implication of this is that, from an operations point of view, services must be delivered without an assumed level of infrastructural support. The ability to adapt development methodologies to such circumstances would be a key operations task. Another aspect of globalization for Oxford concerns the coordination of expertise. Experts, either in development or disaster relief, may be located anywhere in the world. The task of understanding and coordinating this pool of potential help must be a major operations task. It will rely on maintaining a database of expertise and on the ability to deploy it, sometimes at short notice.

They must be environmentally ethical. To Oxford, the concept of environmental management must be tackled at two levels. The most obvious one is that environmental awareness is an 'output' from the charity operations. In other words, environmental management, to some extent, is one of the operation's products'. It will engage in lobbying governments and non-governmental agencies to achieve its aims of greater environmental sustainability. However, there is also another related issue. Oxford's operations themselves must also be environmentally sound.

Agricultural projects, for example, must be managed to ensure that there is no local pressures to do so. They must be socially responsible. Again, this is one of those issues, which is both an output from the operation and an objective for the way it runs its own operations. A key issue here must be the way in which the 'on the ground' managers of development projects tackle some of the particularly sensitive cultural issues. For example, 'gender

issues' are one of Sofa's campaigning points; forever, appropriate gender roles are seen in very different ways in different parts of the world.

Pursuing its own ends in terms of, say girls' education, must be balanced against traditional ideas of women's role. Whereas this difficulty may be relatively straightforward to reconcile at a strategic level back in the charity Oxford headquarters, its success depends on how local operations managers deal with the issue at a day-to-day level. Part A Manger What are the advantages and disadvantages of Part A Manger organizing itself so that the individual shops make the sandwiches that they sell? There are a number of advantages in this type of organization. The load on the staff in the shop is equalized throughout the day.

The demand from customers for purchasing the sandwiches occurs mainly in the middle of the day. If the staff only sold sandwiches, they would be busy in the middle part of the day and unoccupied at other times. The way Part a Manger organize their processes, the staff can occupy themselves making sandwiches in the early part of the day, then, as the day progresses, staff will progressively move from making to selling. As demand then reduces towards the end of the day, staff will move onto general cleaning and tidying activities as well as making ready for the same cycle of activities to repeat itself the next day.

There is clear and direct responsibility for quality, customer service and cost. If there are any problems with quality and availability of sandwiches, it is the same staff who caused the problems who receive customer complaints (In fact, Part a Manger get very few complaints). Similarly, the effectiveness of

cost control can be clearly associated with the staff in the shop. It is a more interesting job that has a number of different activities (making, selling, cleaning, etc.) than one where an individual will specialize in just one of these tasks.

It is easier to engender a sense of pride in the high quality and wholesome nature of the products when they are made on the premises. It should be pointed out that there are also disadvantages. The main one is that the cost of making sandwiches in a sandwich factory (the way the vast majority of sandwiches are made) is very significantly cheaper because of the higher volume. How can effective operations management at Prt A Manger contribute significantly to its success? And what would the consequences of poor operations management be in this kind of organization?

By developing a culture within each store that takes pride in the products themselves, the way they are made and the way customers are served. By listening to customers so that customers' reactions and comments can inform the design of new products. By not wasting materials through poor control, which would increase the cost of running the operation. By developing a sense of fun as well as a sense of commitment in the staff so that customers sense a friendly and laced atmosphere. Two very different hotels in delivering an appropriate level of service?

For Formula 1, technology is harnessed in the manufacture of the self-contained bedroom units in the factory prior to assembly on the site.

Because of the standardization, conventional factory automation can be used to some extent. More obviously, during the running of normal operations at

the hotel, technology, in the form of the automatic 'booking in' machine at the door, allows the hotel to remain 'open' even while it is unstaffed for much of the day. This saves labor. Similarly, labor is saved by the use of automatic cleaning in the washrooms.

This also ensures that high standards of cleanliness are maintained throughout the day, even when the hotel is not staffed. Although not mentioned in the text, Formula 1 hotels also have automatic drinks and snack dispensers, which would allow guests to stave off hunger and thirst even though the hotel does not provide food in a conventional restaurant setting. At the Magus Safari Lodge, very little technology is used. The attraction of the hotel lies in its location and in how their staff treat the guests.

Staff must not only be informative and courteous, they will also need to protect and reassure those guests who are anxious in their surroundings and create a sense of adventure (but not too much adventure). 2 What are the main differences in the operations management challenges facing the two hotels? The main difference is the degree of standardization in the operation's processes. For Formula 1, the main use of standardization is in the manufacture of the individual room units. All room units are exactly the same size. Because they all have the same fittings, these fittings can be artsy installed at the factory.

This allows the company to buy furniture, curtains, and carpets in high volumes, keeping costs down. The standardized nature of the units also allows the hotel to be constructed quickly (which itself saves costs) using

standardized methods of construction that are cheaper than building entirely different hotels at each site. Standardization of rooms also allows a standardized procedure to be adopted for cleaning and maintenance, so staff can be easily trained using a standardized training package. Finally, standardization of the room units, radically, allows all Formula 1 hotels to adapt to the geography of the site.

By putting the standard units together, like children's building blocks, they can use unusually shaped pieces of land, which tend to be cheaper than regularly shaped sites. By contrast, the Magus Safari Lodge provides experiences 'customized for every visitor's requirements and abilities'. Also, the Magus Safari Lodge must be able to cope with fluctuations in demand through the year. However, Formula 1 try to choose locations that capture the business traveler market during the week and leisure travelers at the weekend.