

# Operation management analysis flashcard



Operations management is an area of management concerned with overseeing, designing, and controlling the process of and redesigning business operations in the production of goods or services. It involves the responsibility of ensuring that business operations are efficient in terms of using as few resources as needed, and effective in terms of meeting customer requirements. It is concerned with managing the process that converts inputs (in the forms of materials, labor, and energy) into outputs (in the form of goods and/or services).

The relationship of operations management to senior management in commercial contexts can be compared to the relationship of line officers to highest-level senior officers in military science. The highest-level officers shape the strategy and revise it over time, while the line officers make tactical decisions in support of carrying out the strategy. In business as in military affairs, the boundaries between levels are not always distinct; tactical information dynamically informs strategy, and individual people often move between roles over time.

Operation Management the design, operation, and control of the transformation process that converts resource into finished goods or services (management / by Stephen P. Robbins, Mary Coolter.).

Operations management is the process of managing the resources required to produce the organization's goods and services. Operation managers focus on managing people, plants, parts, process and planning and control system. (Management: Principles and Practice for tomorrow's leaders / by Gary Pesseler.)

## Designing Operation System.

Process Selection is basically the way goods or services are made or delivered, which influences numerous aspects of an organization, including capacity planning, layout of facilities, equipment and design of work systems. Process selection is primarily used during the planning of new products or services that is subject to technological advances and competition. Process selection is dependent on the company's process strategy, which has two main components: capital intensity and process flexibility.

Capital Intensity is simply the combination of equipment and labor that an organization uses to accomplish some objective. Process Flexibility is as its name implies: how well a system can be adjusted to meet changes in processing requirements that are interdependent on variables such as product or service design, volume of production, and technology. Facility Layout is simply the way a facility is arranged in order to maximize processes that are not only efficient but effective towards the overall organizational goal. It is also dependent on process selection.

Facility layout refers to the configuration of the total facility, not just the machines, but also the employee workstation, storage areas, internal walls and so forth. Important objectives here usually include reducing materials, handling cost, providing sufficient capacity, and allowing for safe equipment operation and ease of maintenance. There are four types of production layout.

1. Product layout is a production system design in which every item to be produced follows the same sequence of operations from beginning to end, such as an assembly line. For example, an automatic car wash is the product layout. 2. Process layout is a production system design in which similar machines of function are grouped together. 3. Fixed-position layout is a producing system arrangement in which the product being built or produced stays at one location and machines, workers, and tools required to build the product are brought to that location as needed, as for the building of ships or other bulky products. 4. Cellular manufacturing layouts, is usually a combination of process and product layouts, in which machines and personnel are grouped into cells containing all the tools and operations required to produce a particular product or family of products.