

# Production and operations management assignment

[Business](#), [Management](#)



Operations management is the management of that part of an organization that is responsible for producing goods and/or services. Every book you read, every video you watch, every e-mail you send, every telephone conversation you have and every medical treatment you receive involves the operations function of one or more organizations. Business organizations typically have three basic functional areas: 1. Finance – responsible for securing financial resources at favorable prices and allocating those resources throughout the organization. 2.

Marketing – responsible for assessing consumer wants and needs, and selling and promoting the organization's goods or services. 3. Operations – responsible for producing the goods or providing the services offered by the organization. Operations management is the management of systems or processes that create goods and/or provide services. If a business organization is a car, operations would be its engine, and just as the engine is the core of what a car does, in a business organization, operations is the core of what the organization does. Operations also involves the transformation process: 1. Input 2.

Transformation Process Goods Services Storage Transportation Packing  
INPUT Materials Machines Management Capital Feedback Requirements  
Control The essence of the operations function is to add value during the transformation process. Value-added is the term used to describe the difference between the cost of inputs and the value or price of outputs. The greater the value added, the greater the effectiveness of operations and the

greater the amount of funds available for the The scope of operations management ranges across the organization.

It includes many interrelated activities such as the following: 1 . Forecasting (future expectations) 2. Capacity planning (maintain cash flow and make a reasonable profit) 3. Scheduling (production and delivery) 4. Managing inventories 5. Assuring quality (maintenance, control, feedback, improvement) 6. Motivating and training employees 7. Locating facilities The operations manager must demonstrate that he has the ability to set up and manage an effective organization. He must also demonstrate that he knows how to coordinate the work of his organization with the whole.

To be able to do this, he just be familiar and be aware of the different principles of management; some of these are the following: 1. Unity of command \* Each individual in an organization is responsible to only one boss. 2. Span of control \* Limiting both the number of direct subordination a supervisor has and his area of supervision. 3. Homogeneous assignments \* Workers performing similar functions should be grouped and that functions should be scheduled. 4. Delegation manner of its performance. 5. Division of work \* Differentiations. 6. Simplicity \* Systems must be kept as simple as possible.