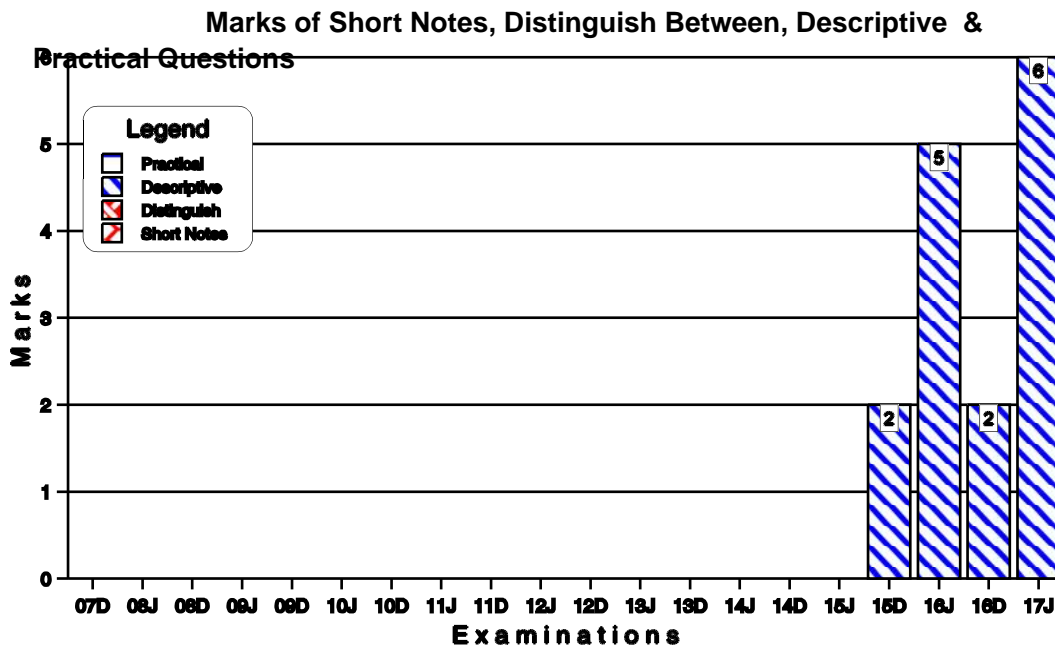


1

OPERATIONS MANAGEMENT- INTRODUCTION

THIS CHAPTER INCLUDES

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| <ul style="list-style-type: none"> • Operations Management - Introduction • Production Management vs. Operation Management | <ul style="list-style-type: none"> • Characteristic of Modern Operation Function • Recent Trends in Production/ Operations Management |
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CHAPTER AT A GLANCE

Topic	Important Highlights
1. Operations Management- Introduction	Operations management is the management of that part of an organization that is responsible for producing goods and/or services. There are examples of these goods and services all around you. 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. So does everything you wear, eat, travel in, sit on, and access the internet with.
2. Objectives of Operations Management	(i) Customer service (ii) Resource Utilization
3. Scope of Operation Management	1. Location of facilities. 2. Plant layouts and Material Handling. 3. Product Design. 4. Process Design. 5. Production and planning control. 6. Quality control. 7. Materials management. 8. Maintenance management.
4. Characteristic of Modern Operations Function	1. Manufacturing as Competitive Advantage 2. Services Orientation 3. Disappearance of Smokestacks 4. Small has become beautiful
5. Recent Trends in Production/Operations Management	1. Global Market Place 2. Production/Operations Strategy 3. Total Quality Management (TQM) 4. Flexibility

DESCRIPTIVE QUESTIONS

2015 - Dec [1] Answer the question:

- (a) Identify four principal functions of an operating system with reference to Operation Management. **(2 marks)**

Answer:

An Operating System is defined as a configuration of resources combined for the provision of goods or services.

The function of an operating system is a reflection of the purpose it serves

for its customers. The following four principal functions identified below also relate to the basic four operations done in any organization:

1. Manufacture	Manufacturing function is the one which involves some physical transformation, or a change in the form utility of the resources. Something is physically created and the output consists of goods which differ physically (e.g., in terms of form, content etc.) from those materials input to the system.
2. Transport	This function of operating system provides a change in the place utility of something or someone in order to satisfy customer. The customer, or something belonging to the customer, is moved from place to place and thus results in the change in location. There is no major change in the form of resources.
3. Supply	This function provides a change in the possession utility of a resource, i.e., the ownership or possession of goods is changed. Unlike manufacture, outputs of the system are physically same as the inputs.
4. Service	This function primarily results in a change in the state utility of a resource. The principal common characteristic is the treatment or accommodation of something or someone. The state or condition of the physical outputs will differ from the inputs as they have undergone same kind of treatment.

2016 - June [II] Answer the question:

1. (b) 'Operations management is responsible for producing goods and/or services.' In this context, define 'Operating System' and state the principal functions of an operating system. **(1+4 = 5 marks)**

Answer:

Please refer 2015 - Dec [1] (a) on page no. 15

2016 - Dec [1] (d) List categories of processes in a production system.

(2 marks) [Sec. A]

Answer:

Basically, processes can be categorised as:

- (i) **Conversion processes:** i.e., converting the raw materials into finished products (for example, converting iron ore into iron and then to steel). The conversion processes could be metallurgical or chemical or manufacturing or construction processes.
- (ii) **Manufacturing processes:** Can be categorised into (a) Forming processes, (b) Machining processes and (c) Assembly processes.
- (iii) **Testing processes:** Which involve inspection and testing of products (sometimes considered as part of the manufacturing processes.)

2017 - June [2] (a) 'An important objective of Operations Management is Resource Utilization'. Enumerate. Also list the scope of Operations Management. **(3 + 3 = 6 marks)**

Repeatedly Asked Questions		
No.	Question	Frequency
1	Descriptive Question of: 15 - Dec [1] (a), 16 - June [II] (b)	2 Times