

Research log

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Operations Management

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What is Operations Management?

Project Description

Operations management is an area that deals with the production of goods and services.

My project final deliverable will be a website that will include the main steps of operations management, some information on logistics, and the importance of operational roles.

Level 1 Research

1) Define 2 Terms:

- a. **Logistics:** “Logistics is the management of the flow of goods between the point of origin and the point of consumption in order to meet some requirements, for example, of customers or corporations” (“Operations Management of Logistics and Supply Chain: Issues and Directions.” Discrete Dynamics in Nature and Society, Hindawi, 2014, <https://www.hindawi.com/journals/ddns/2014/701938/>)
- b. **Continuous Improvement:** “Continuous Improvement is an ongoing, long-term approach to improving processes, products and services” (“What is Continuous Improvement? A Simple Guide”, Triaster, 2021, <https://blog.triaster.co.uk/blog/what-is-continuous-improvement>)

2) Define in Your Own Words: What is Operations Management and why is it important to a business education?

Operational management refers to the business decision-making process required to effectively manage production or service.

Operational management is important to business education because it teaches students, a future generation of managers, how to effectively manage the activities and processes of companies in the modern economy.

The definition was shared with the following class members: Emmarly Egan, Kaitlyn Olson.

3) Online Video Presentation: Operations and Strategy

The starting point of many effective businesses is a company's mission or vision.

Successful management requires the creation of a strategically planned process that incorporates the company's mission. Understanding the difference between strategy and operations is essential for any manager to effectively translate a vision or mission statement into specific performance objectives and increase the company's competitiveness.

This video presentation describes the main differences between operations and strategy. In the video presentation, the speaker presents operations and strategy as two connected engines on a boat, which is a rather interesting comparison, implying that they both have identical importance for business. If there's only one engine is used,

then, subsequently, the boat will move slowly. Therefore, I think that if a business fully concentrates all its potential and resources on only one operational side, this will negatively affect the company's efficiency, which will lead to potential losses in the future. The video also emphasizes the individual value of both sides and provides definitions for more detailed comprehension.

From this presentation, I learned that operations help keep an organization running, while strategy is a component of the operational engine that is responsible for creating and discovering sources of competitive advantage.

Source: "The Difference Between Operations and Strategy." Chris Stowell, 2013,
https://www.youtube.com/watch?v=EQCo-7SMJ_c

4) Online Video Presentation (repeat): Importance of Operations Roles

Every company, firm, or corporation consists of departments with a set of roles and responsibilities assigned to employees. Management and Operations are the two general functional departments of every company. The term "Management" is quite self-explanatory, while "Operations" refers to the routine activities that convert inputs into outputs and consist of a system of interconnected processes.

The following video presentation covers the topic of operations management from an altruistic standpoint, which I found very interesting. It also provides a detailed explanation on processes, for instance, things such as creating a financial system,

productive office, project management, hiring, and organizing events are all considered business processes. In addition, the presentation covers people in key decisions operations roles who sustain any business industry.

I realized that the sentimental reason most people switch to operational roles is that people want to be involved in contributing to something great through operations. Specifically, they are very invested in business growth. They truly enjoy making important decisions, solving problems, and collaborating with others to achieve a common goal. As the result, they gain transferable skills and the opportunity to work in other different areas.

Source: "Importance of operations roles in EA/X-risk community | Tanya Singh | EA Global: London 2017." Tanya Singh, 2018,
<https://www.youtube.com/watch?v=sK4lgWx4gjE>

Level 2 Research

1) **Scholarly Book: Operations Management: A Research Overview by Michael A. Lewis**

The book incorporates academic and practical disciplines from engineering, history, economics, mathematics to systems, psychology, and so forth. The first chapter of the book compares Operations Management as a form of art. The content of the chapter consists of an imaginary exhibit that presents various ancient artifacts. In terms of OM, I assume they represent the evolution of OM from the earliest societies. It shows lasting

progress in terms of cooperative labor, collaboration, cyclicity of time, and intense social structure. Presumably, industrial engineering innovations, technological advances, and breakthroughs have led to the creation of the most optimal organizational management model with specific management principles and process approaches that are now widely used. I think that later people focused more on predominantly mass-produced enterprises with low costs and high return on investment with increased delivery speed and competitive advantage.

The second chapter explores the concept of “process” art. After reading it, I came to the conclusion that operational management is a sequence of events and the development of interconnected relations (hierarchy) within the mechanism of processes. The book also covers the topic of BPR (Business Process Re-engineering), which, although considered obsolete, still works. I’ve learned that BPR is responsible for identifying processes, reviewing and updating analysis as is, design to be, and test and implement to be.

In the end, I believe the main message of the chapter is designed for business owners who need to focus more on customer satisfaction, business profitability, and employee empowerment. The flexibility of these processes ensures high business efficiency.

Source: Lewis, Michael A. “Operations Management: A Research Overview.” Taylor & Francis Group, ProQuest Ebook Central, 2019, <https://ebookcentral-proquest-com.dist.lib.usu.edu/lib/usu/detail.action?docID=5984808>.

2) **Academic Journal: Course Design Process to Create a Coordinated, Experiential, Integrated Core Operations Management Course for Business Majors**

The content of this journal focuses on the challenge faced by scholars in transforming their introductory OM/SCM course for business majors. Much emphasis was placed on trade-offs and the impact of OM/SCM solutions on other parts of the operations, supply chain, and business. They did a fantastic job of detailed research covering every step of the redesign process. Their previous core course faced criticism and was considered irrelevant by business students. As the result, this led to a lack of student motivation, perception, and engagement.

In order to fix it, they first reviewed their literature. Dozens of textbooks were under strict examination and very few were picked to provide the most valuable topics in various industries to students. After careful consideration, topics from both academics and practitioners were included in the contents of the books. After that, they examined courses at other competitive universities and collected information from some of their stakeholders. They also surveyed students, faculty, and alumni and concluded that they will implement the use of the lab in addition to lectures, production improvement projects, simulations, and the development of an individual structure of teaching time for professors to increase engagement and perception.

This article helped me look at OP from a learning perspective. These people tried their very best to provide the most innovative education to their students. At the same time,

they had to make sure that students who hadn't previously taken OM/SCM courses would still understand topics. As a student myself, it was pretty insightful to read about the projects that they gave to their students, which covered topics such as negotiating low price from suppliers, understanding delivery reliability in the contract agreement, inventory stock and policy, production plan and shipments, financial statements, and even including penalties from the customer for not meeting their contract. I think projects like this help improve decision-making, analysis, and problem-solving skills, as well as enhance team coordination/collaboration between students.

3 Questions:

1. The research mentioned the key findings of their survey. About 34% of students wanted to spend more time in the classroom doing computer simulations.

Compared to other results, this percentage was significantly different from other key findings. Since the percentage is relatively small compared to the remaining 66%.

Why did you still include simulation in your program?
2. Since you added a lot of complex assignments, simulations, and even Excel problems, do you think that the exam portion will still have the same significance and effectiveness as other learning tools?
3. What do you think should be the primary focus of the coursework now?

Source: Scott Hoefle, Willard B. Ott, Christopher M. Scherpereel, and Susan K. Williams, "Course Design Process to Create a Coordinated, Experiential, Integrated Core Operations Management Course for Business Majors", Decision Sciences Journal of Innovative Education; 2020, pp. 249-269.

3) **Ted Talk: Management Lessons from Chinese Business and Philosophy | Fang Ruan**

The speaker, Fang Ruan, presents two Asian schools of thought, Confucianism and Taoism, and provides three ways of business management in China. Confucianism values authority, hierarchy, respect for seniority, and work in a more stable context. Taoism provides room for growth, goes with the flow, and deals with uncertainty. The speaker begins her speech with a short biography about herself. She loves dumplings and works as a management consultant. One day Dumpling Xi's dish caught her attention because of its exquisite flavor. She immediately became interested in that company. Xi'an Dumplings lost some consumers due to the growth of online food delivery services. To address this problem, the founder came up with a "two-hat model", such as hiring regional heads to be a second role at headquarters with no previous experience while they were frontline managers. During the learning process, sales went up. The company began to grow and flourish again. I think the main idea behind it is to give regular folks a chance to come up with ideas and be patient while they learn.

Xiaohongshu is another example of this kind of management. It is an internet company and online community with millions of users all over China. The founder of this company has always been against the hierarchy or authority system. So, when her interns called senior staff “teachers”, she didn’t like it. She created a collaborative program called the Signature Program in which employees select their avatar characters and use them in digital communication channels. Similar avatars (people from different departments, cities, or even levels of the organization) would talk about their characters, help each other if needed, ignoring seniority while feeling equal. The speaker also emphasizes that this method does not always work, as exemplified by the insurance company that failed in this regard.

Therefore, the lesson from these stories is that companies always need to be innovative and creative to stay competitive. A centralized approach or a decentralized approach should be chosen depending on the current situation in the company and the people with whom you work. After all, “A leader is best when people barely know he exists. When work is done, people say, we did it ourselves.”

Source: “Management lessons from Chinese business and philosophy.” Fang Ruan, 2020, https://www.youtube.com/watch?v=KQ_sO9V0tyw

4) **Ted-X Talk (repeat): The Power of Logistics | Terry Esper | TEDxOhioStateUniversitySalon**

Logistics is one of the key decision areas of operational management. Nowadays, the main competitive advantage of any company is its ability to produce a product or service quickly and efficiently so that the customer is left satisfied.

In the following speech, Terry Esper shares his own personal experience and story about logistics and how it influenced his life. It all started with the Washington Post news about Sears and their own ways of serving customers, specifically African Americans in a time of racism. This news and his grandmother, who received the package without losing dignity, resonated with him very much and connected his life with logistics. The speaker also gives another example of logistics, talking about a brave man named Henry Box Brown who used logistics to travel to the city of Philadelphia. As a matter of fact, it took 27 hours and 7 transfers in transport and logistics.

During that era, many unspoken individuals made a great contribution to changing the world through logistics, for example, Mr. Rufus Lewis, who created an entire logistics travel infrastructure in Montgomery for African Americans. In addition, the speaker in this talk compares the green book to logistics planning, explaining that this book was used as a master plan to see where people can go, stop, etc.

Terry Esper conveys the interesting idea that logistics should not be taken only as a well-known idea of delivering a product to consumers in boxes or accessing them, but it can be much more. Something that can significantly affect someone's life or even change it. His speech reshaped the whole concept of logistics and let me look at it from a

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psychological perspective. I think that logistics can be very powerful in both directions; it helps bring people together and at the same time helps to grow businesses.

Source: "The Power of Logistics | Terry Esper | TEDxOhioStateUniversitySalon." Terry Esper, 2019, <https://www.youtube.com/watch?v=wJUva4OanMc>