



FIRST SEMESTER 2020-2021
COURSE HANDOUT

Date: 18.01.2021

In addition to part I (General Handout for all courses appended to the Time table) this portion gives further specific details regarding the course.

Course No : **MBA G541**
Course Title : **OPERATIONS STRATEGY**
Instructor-in-Charge : **DR. RAJESH MATAI**

1. Course Description: Operations Strategy, Operations Performance, Capacity Strategy, Purchasing and Supply Strategy, Process Technology Strategy, Improvement Strategy, Product and Service Development and Organization, The Process of Operations Strategy-formulation, and implementation, The Process of Operations Strategy- Monitoring and Control etc.

2. Scope and Objective of the Course: Operations strategy is the missing link between the operational strategy and the business strategy. It seeks to provide the concepts and suggests approaches to develop competitive advantages for an organization on a long term basis on a sustainable orientation. The subject has a direct and close connection with the strategy of resource management. The evolution of the subject is of recent origin. It is of high significance in the newly emerged business environment that is volatile, dynamic in changing customer preferences with high emphasis on performance objectives as customization, delivery, flexibility and variety, customer service, speed and more besides the classical performance parameters of cost and quality. The course has been designed to enable the students to prepare, comprehend and analyze operations strategy.

Some of the important decisions with which operations strategy is concerned are as follows:

- How should the organization satisfy the requirements of its customers?
- How should each function within the organization satisfy the requirements of its internal customers?
- What intrinsic capabilities should the organization try and develop as the foundation for its long-term success?
- How specialized should the organization's activities become?
- Should the organization sacrifice some of its objectives in order to excel at others?
- How big should the organization be?
- Where should the organization locate its resources?
- When should it expand or contract, and by how much?
- What should it do itself and what should it contract out to other businesses?
- How should it develop relationships with other organizations?
- What type of technology should it invest in?
- How should it organize the way it develops new products and services?
- How should it bind together its resources into an organizational structure?
- How should the organization's resources and processes be improved and developed over time?
- What guiding principles should shape the way any organization formulates its operations strategy?



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All these questions are not merely important –they are fundamental. No organization, whether large or small, for-profit or not-for-profit, in the services or manufacturing sector and international or local, can ignore such questions. Operations strategy is central, ubiquitous and vital to any organization’s sustained success.

3. Text Books:

T1 “Operations Strategy” by Nigel Slack, Michael Lewis & Mohita Gangwar Sharma, 5th Edition, Pearson India Education Services Pvt. Ltd-2019

4. Reference Books:

R1 “Operations, Strategy, and Technology: Pursuing the Competitive Edge” by Robert Hayes, Gary Pisano, David Upton, Steven Wheelwright reprinted by Wiley-India. 2011

R2 “The Agenda: What Every Business Must Do to Dominate the Decade” by Hammer, Michael

Suggested Cases:

1. Southwest Airlines: In a Different World
2. Design Thinking and Innovation at Apple
3. BMW: The 7-Series Project(A);
4. VF Brands: Global Supply Chain Strategy

5. Course Plan:

Module No.	Lecture Session	Reference	Learning outcomes
1. Operations strategy – developing resources and processes for strategic impact	1-4	Chapter 1 (T1)	What is ‘operations’ and why is it so important? Four perspectives on operations strategy, Performance objectives, Decision areas (Structural and infrastructural), The operations strategy matrix
2. Operations performance	5-9	Chapter 2 (T1)	Operations performance objectives, The five generic performance objectives (Quality, Speed, Dependability, Flexibility, Cost), The internal and external effects of the performance objectives, The relative priority of performance objectives, The relative importance of performance objectives change over time, Trade-offs and Focus.
3. Substitutes for strategy	10-13	Chapter 3 (T1)	‘New’ approached to operations, Total Quality Management (TQM), Lean operations, Business Process Reengineering (BPR), Six Sigma, Some common threads.



4. Capacity strategy	14-16	Chapter 4 (T1)	What is capacity strategy? The overall level of operations capacity, The number and size of sites, Capacity change, Location of capacity.
5. Purchasing and supply strategy	17-20	Chapter 5 (T1)	What is the purchasing and supply strategy? The outsourcing decision – Vertical integration? Do or buy? Contracting and relationships, which type of arrangements? Supply network dynamics, Managing suppliers over time, Purchasing and Supply chain risk etc.
6. Process technology strategy	21-23	Chapter 6 (T1)	What is process technology strategy? Process technology should reflect volume and variety, The product-process matrix, The challenges of information technology, Evaluating process technology
7. Improvement strategy	24-28	Chapter 7 (T1)	Operations Improvement, Setting the direction, Importance-performance mapping, Developing operations capabilities, Deploying capabilities in the market.
8. Product and service development and organization	29-31	Chapter 8 (T1)	Innovation, design and creativity, The strategic importance of product and service development, product and service development as a process, A market requirements perspective on product and service development, An operations resources perspective on product and service development
9. The process of operations strategy – formulation and Implementation	32-35	Chapter 9 (T1)	Formulating Operation Strategy, what is the role of alignment? Marinating alignment over time, what analysis is needed for formulation? The challenges of operations strategy formulation, how do we know when the formulation process is complete? What is operations strategy implementation?
10. The process of operations strategy –Monitoring and Control	36-38	Chapter 10 (T1)	Implementing operations strategy, Strategic monitoring and control, Monitoring implementation – tracking performance, The balanced scorecard approach, The dynamics of monitoring and control, Implementation risk, How does learning contribute to Strategic control?
11. Overview	39-40		Operations strategy revisited, Applying the operations strategy matrix, Revisiting the five generic performance objectives, Revisiting the decision areas, Revisiting Process, Operations



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			strategy is close to operations management, Future trends.
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5. Evaluation Scheme:

Component	Duration	Weightage (%)	Date & Time	Nature of component (Close Book/ Open Book)
Test	90 Min.	20	To be announced	Close Book
Participation in case Discussions/Class Exercises	50 Min.	25	In classes	Open book
Mini Project	Whole Semester	25	To be announced	Open book
Comprehensive Examination	150 Min.	30	12/12/2020 AN	Close Book

Case Analysis: Cases will be assigned from time to time. Few Harvard case studies will also be discussed in course, along with bookcases. Students must read the case assigned and come fully prepared for discussions in class. It is highly desirable that students must attend all classes and contribute in case discussions.

Mini Project: Students will take any real Operations Strategy problem and do projects in groups. At the end of the semester, all groups will give a presentation and submit a report.

7. Chamber Consultation Hour: Friday 5 to 6 P.M.

8. Notices: All notices of this course will be displayed on the Nalanda.

9. Make-up Policy: Make-ups may be allowed only in genuine cases with the prior permission of I/C. No make-up for Cases and mini-projects.

10. Group Formation: Students have to give mini-project presentations in a group. Groups will be formed in class.

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