

# Unit 5 - Operations

## Vocabulary Collection

Term	Definition
automation	when a machine can function on its own
batch production	series of repeated procedures that are applied to each product
capital productivity	output per unit of machinery per time period
capital-intensive	processes of manufacturing mainly relying on machinery
capital	physical resources involved in production
diseconomies of scale	increased average cost of production when output rises beyond the optimal level
economies of scale	falling average costs due to rising levels of output
enterprise	turning ideas into marketable goods/services
external economies of scale	falling average costs due to the expansion of an industry
flexibility	how well a business's goods/services can adapt to changing market conditions
flow production	producing an item in large quantities on a production line
internal economies of scale	falling average costs as output rises
job production	producing one-off items that are made to the customer's exact needs
just-in-time	when the time that materials and produced units are held by the firm is minimized
kaizen	continuous improvement made through incremental changes
labor productivity	output per worker per time period
labor-intensive	processes of manufacturing mainly relying on human labor
labor	people who work for a business
land	the physical space a business operates from
lean production	an approach to operations management with minimum wastage and inefficiencies
methods of production	how a business manufactures a product in terms of scale and process
mortgage	long-term loan secured with property

operations function	manages the production and delivery of goods and services
output	amount of goods or word produced by a person, machine, or factory
production technology	the use of machines in production
production	transformation of resources into a product
quality control	ensuring that the quality of products meets specified standards
quality	how well a good/service meets customer expectations
resources	factors of production(capital, enterprise, land, labor)
robotics	manufacturing involving automated machines
total quality management (TQM)	a managerial approach that focuses on quality and aims to improve the effectiveness, flexibility and competitiveness of the business
transactions	business deals or actions

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