



Gies Business

# BADM 567: Process Management

## Module 1: Operations Strategy

Gopesh Anand

# Welcome!

## Glad You are Here



UNIVERSITY OF  
**ILLINOIS**  
URBANA-CHAMPAIGN

# Today's Session

A few introductions

Course structure

Introduction to course

Ops. Strategy and Ritz Carlton

Looking forward to next week

# What I Did Over Break



Grand Canyon



Scottsdale

# Associate Instructor

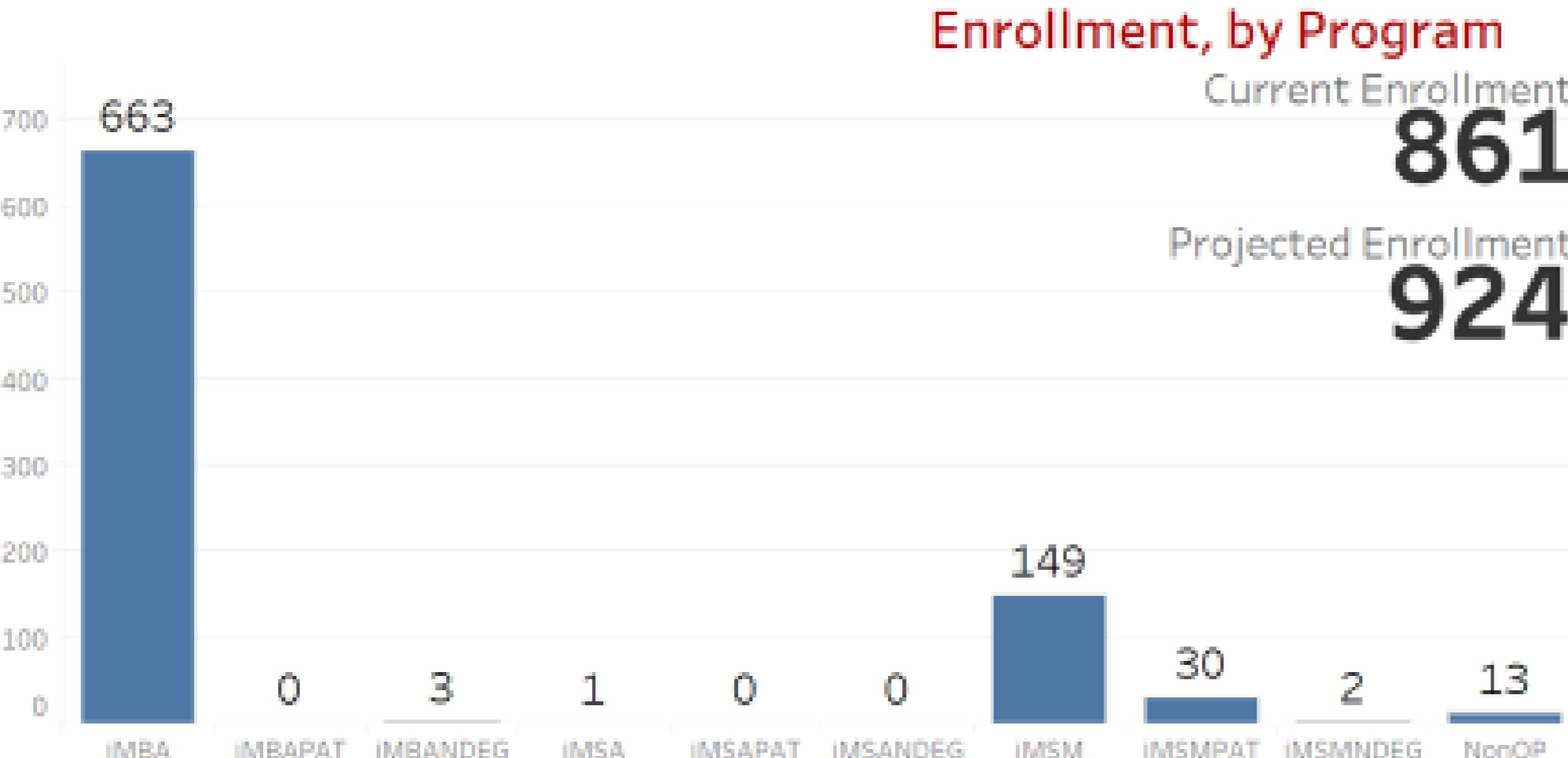


Nehemiah Scott

# Course Team and Team Gies

Aakash, Alphonzo, Amanda, Arjun, Aseem, Atharva,  
Bhavana, Bhoumik, Brian, Chandana, Collin, Dharma,  
Hari, Hitesh, Julio, Kaylin, Keerthana, Laasya, Lisa,  
Marty, Mohit, Michelle, Nikhil, Nikola, Parth, Pradeep,  
Pranavi G., Pranavi K., Raghvendra, Rahul, Rich,  
Rohan, Sahana, Scot, Scott, Sharon, Shreshta, Shrijeet,  
Shruti, Sreeja, Srikar, Steven, Sundar, Swathi, Swetha,  
Tanishq, Tanla, Varun, Wanqin      ...several others

# You All



## Most Common Employers



**113**

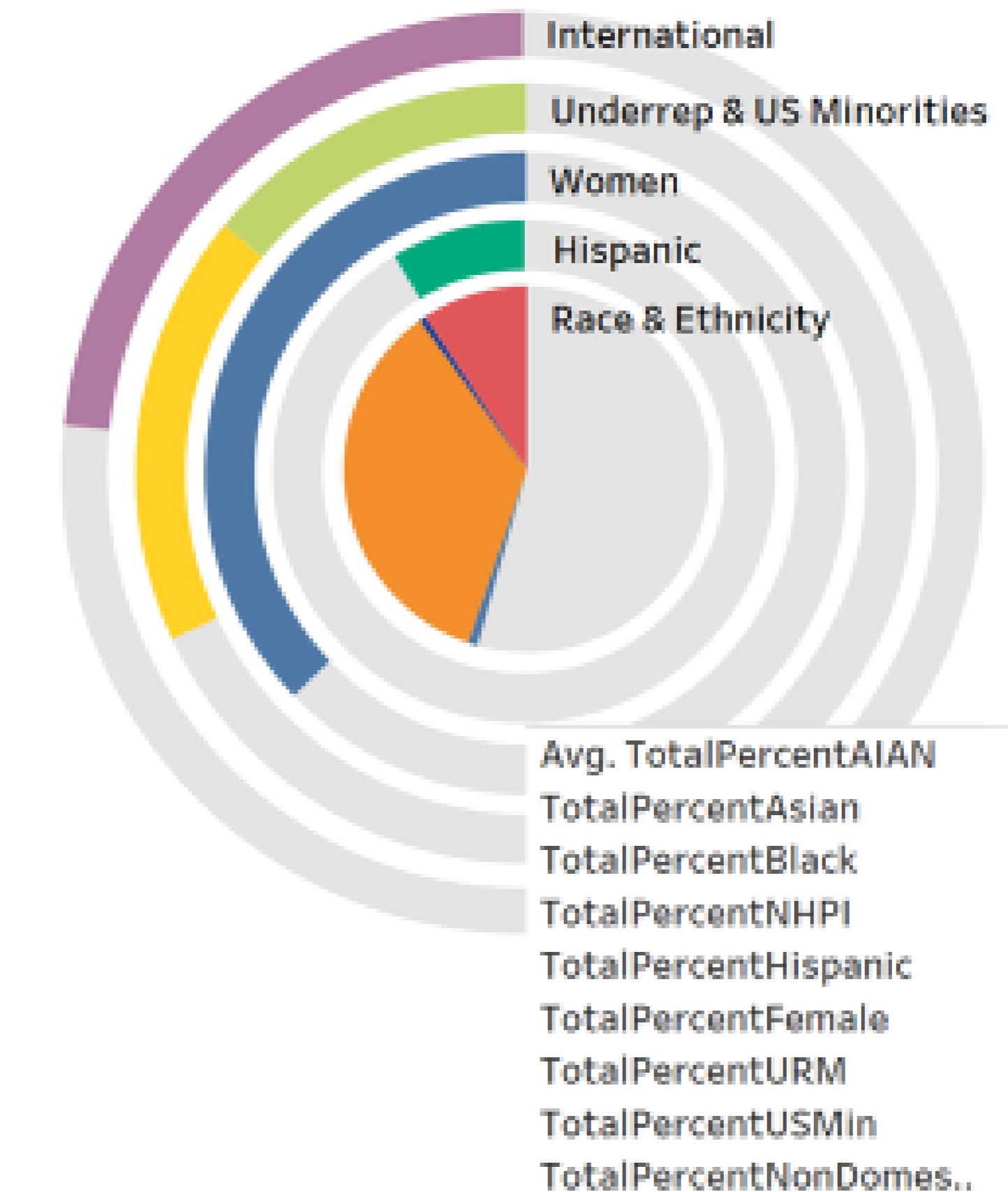
Avg Months Work Experience  
(at time of application)

**36.8**

Avg Age  
(at start of course)

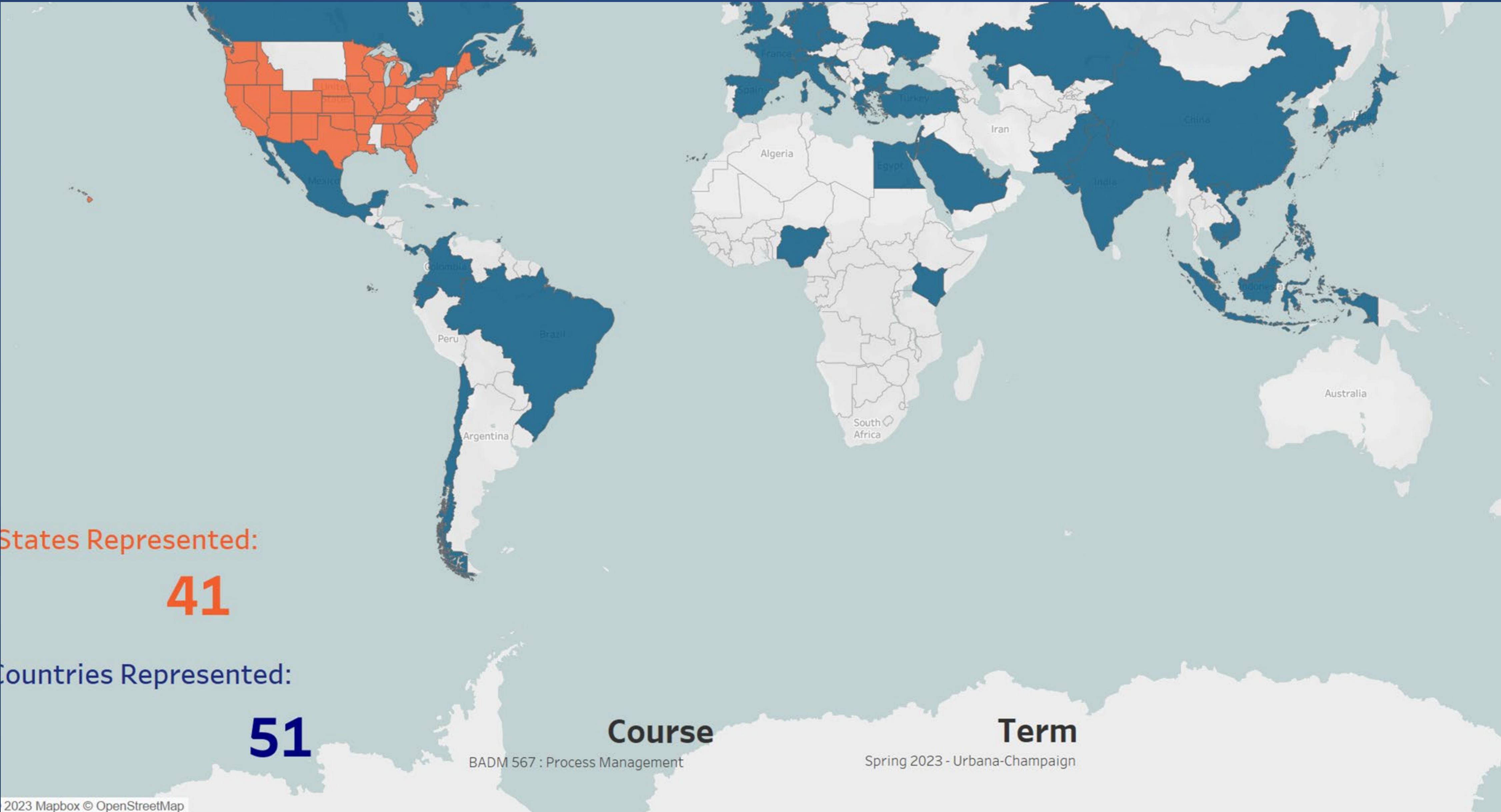
Term  
Spring 2023 - Urbana-Champaign

Course  
BADM 567 : Process Management



# From Far and Wide

I



# Our Schedule – First Half

Event	Date	Attend/Complete/Read/Submit	Points
Session 1	13-Jan.	Module 1 - Operations Strategy - in Course 1 of Coursera Read Ritz Carlton (pages 1-6 and exhibits 1-3) only for discussion	
Week 1	17-Jan	Syllabus Quiz, Academic Integrity Quiz Case Quiz: Paediatric Orthopaedic Clinic	5 30
Session 2	20-Jan.	Module 2 - Process Metrics - in Course 1 of Coursera	
Week 2	24-Jan.	Module Assignment: Process Metrics Case Quiz: Three Jays	60 30
Session 3	27-Jan.	Module 3 - Inventory Management - in Course 1 of Coursera	
Week 3	31-Jan.	Module Assignment: Inventory Management Team Assignment: Bergerac	60 100
Session 4	03-Feb.	Module 4 - Supply Chain Management - in Course 1 of Coursera	
Week 4	07-Feb.	Timed Quiz Case Quiz: Ritz Carlton	200 30

# Our Schedule – Second Half

Event	Date	Attend/Complete/Read/Submit	Points
Session 5	10-Feb.	Module 1 - Quality Management - in Course 2 of Coursera Read Paul Chesler for discussion	
Week 5	14-Feb.	Module Assignment - Academic Medical Hospital	60
Session 6	17-Feb.	Module 2 - Process Improvement Projects - in Course 2 of Coursera	
Week 6	21-Feb.	Team Assignment: Toyota Motor Manufacturing	100
Session 7	24-Feb.	Module 3 - Measurement and Analysis - in Course 2 of Coursera	
Week 7	28-Feb.	Module Assignment: Statistical Process Control Case Quiz: GM Powertrain	60 30
Session 8	03-March	Module 4 - Designing & Sustaining ... - in Course 2 of Coursera Read Gati: Achieving Quality Excellence... Case for discussion	
Week 8	07-March	Timed Quiz Team Participation Peer Evaluations	200 30 5

# Sources for Required Materials

Cases/Readings packet - Harvard

Two Coursera courses

Canvas

# Additional Sources

Optional readings in packet

References list on Canvas

Further readings on Coursera and Canvas

Your experiences – past and current

# Keeping in Touch

Canvas Announcements

Live Sessions

Slides and Recordings

Office Hours

Canvas Discussions

# Operations and Supply Chain Management Around Us

# Remote Work Adjustments

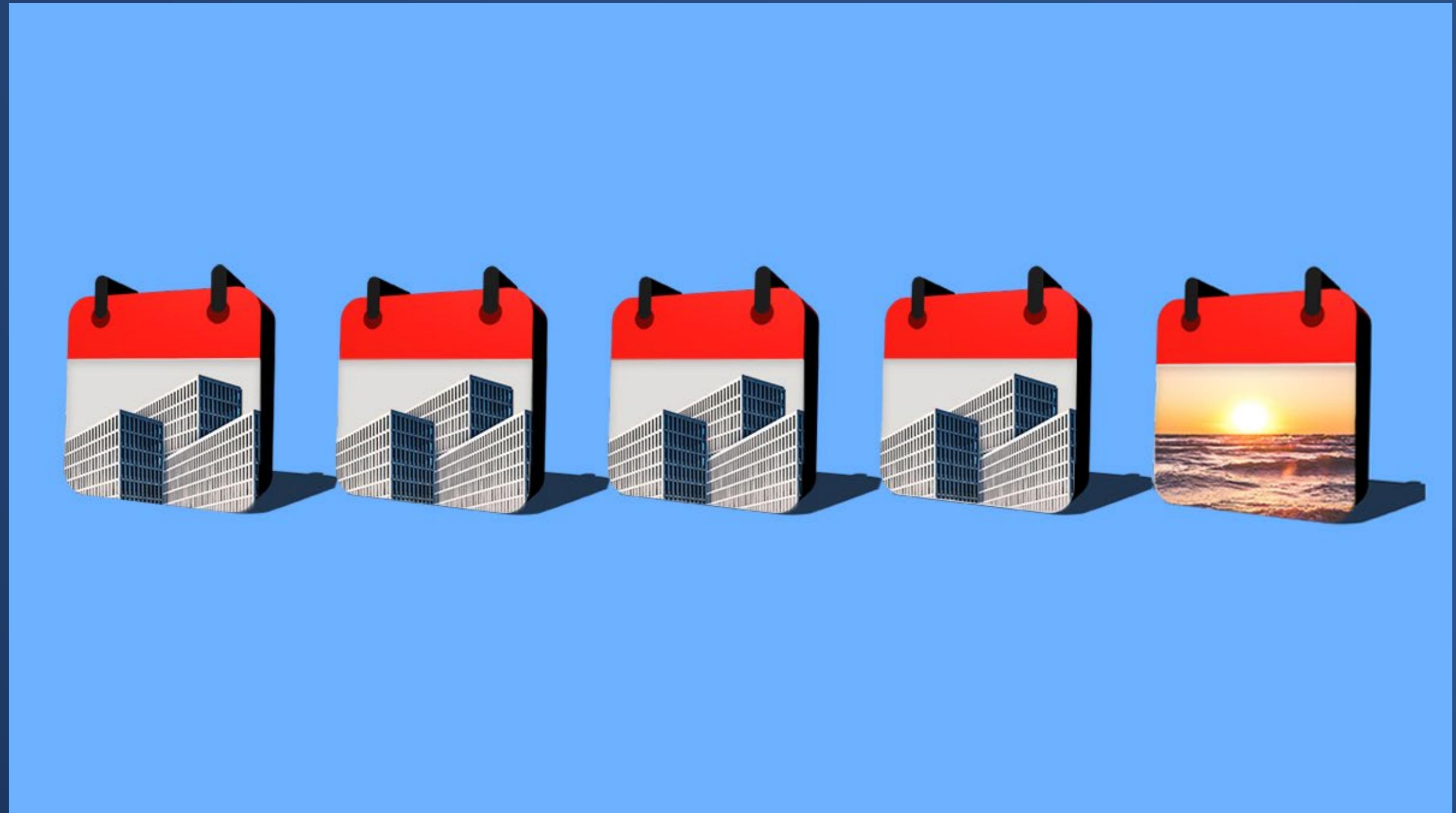


Forbes

Bosses Are Winning The Battle To Get Workers Back To The Office, *by Jack Kelly, September 20, 2022*

<https://www.forbes.com/sites/jackkelly/2022/09/20/bosses-are-winning-the-battle-to-get-workers-back-to-the-office/?sh=1613e74a783e>

# Productivity-Time Tradeoffs



Harvard  
Business  
Review

**What Leaders Need to Know Before Trying a 4-Day Work Week, by Emma Russell, Caroline Murphy, and Esme Terry, May 27, 2022**

<https://hbr.org/2022/05/what-leaders-need-to-know-before-trying-a-4-day-work-week>

# Digitizing Supply Chains



Harvard  
Business  
Review

Digital Transformation Is Changing Supply Chain Relationships  
*by María Jesús Saénz, Elena Revilla, and Inma Borrella, July 07, 2022*

<https://hbr.org/2022/07/digital-transformation-is-changing-supply-chain-relationships>

# Nearshoring Suppliers



FORTUNE

Years of global supply chain chaos could mean a nearshoring jackpot for the Americas in 2023, by *Tristan Bove*, December 23, 2022

<https://fortune.com/2022/12/23/supply-chain-chaos-leading-to-2023-nearshoring-boom-latin-america/>

# Pursuing Sustainability



5 innovators making the electric vehicle battery more sustainable, by Natalie Merchant, May 18, 2021

# Maintaining Compliance



FDA describes plans to expand remote regulatory assessments, by  
Joanne S. Eglovitch, 22 July 2022

# Operations Strategy at...



# Poll Question #1

Ritz Carlton operates hotels in five segments:  
luxury, upscale, mid-price, economy, and  
budget

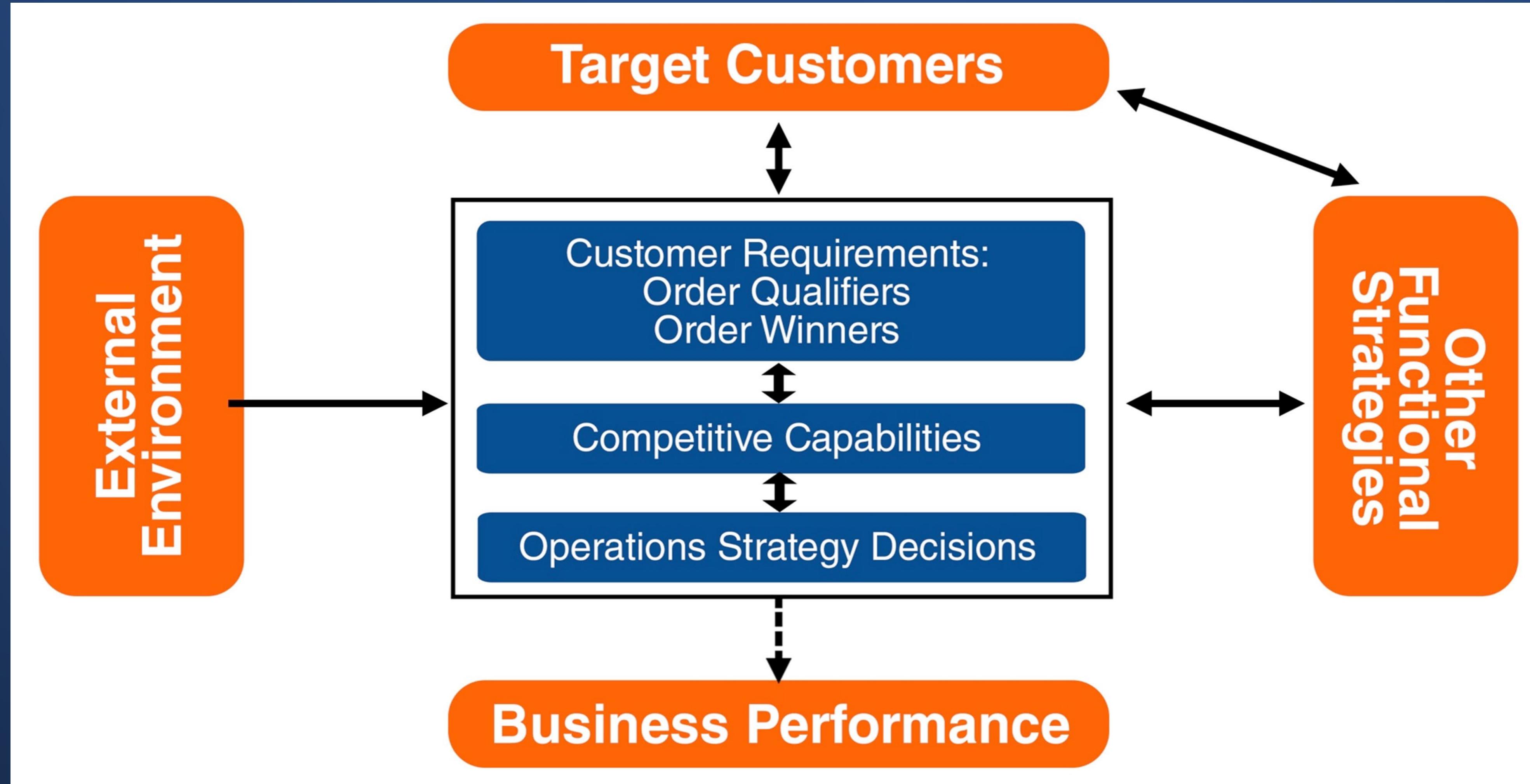
What are the implications for its Operations  
Strategy?

# The Ritz Carlton Brand



Independently operated division of Marriott International

# Operations Strategy Elements



# Operations Decisions

Facility size

Location and layout

Technology

Vertical integration

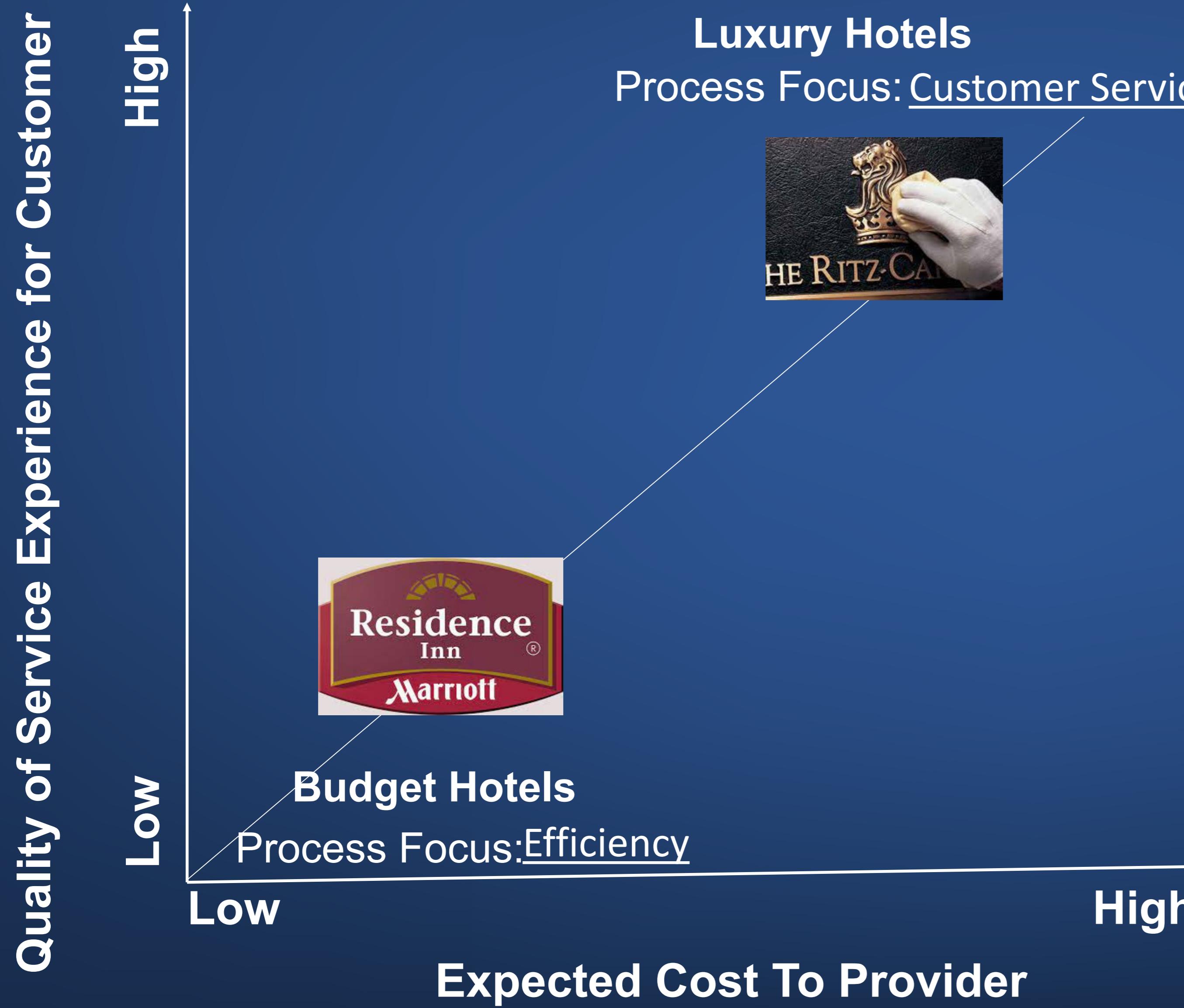
Salaries and training

Quality management

Scheduling

Centralized control

# Tradeoffs

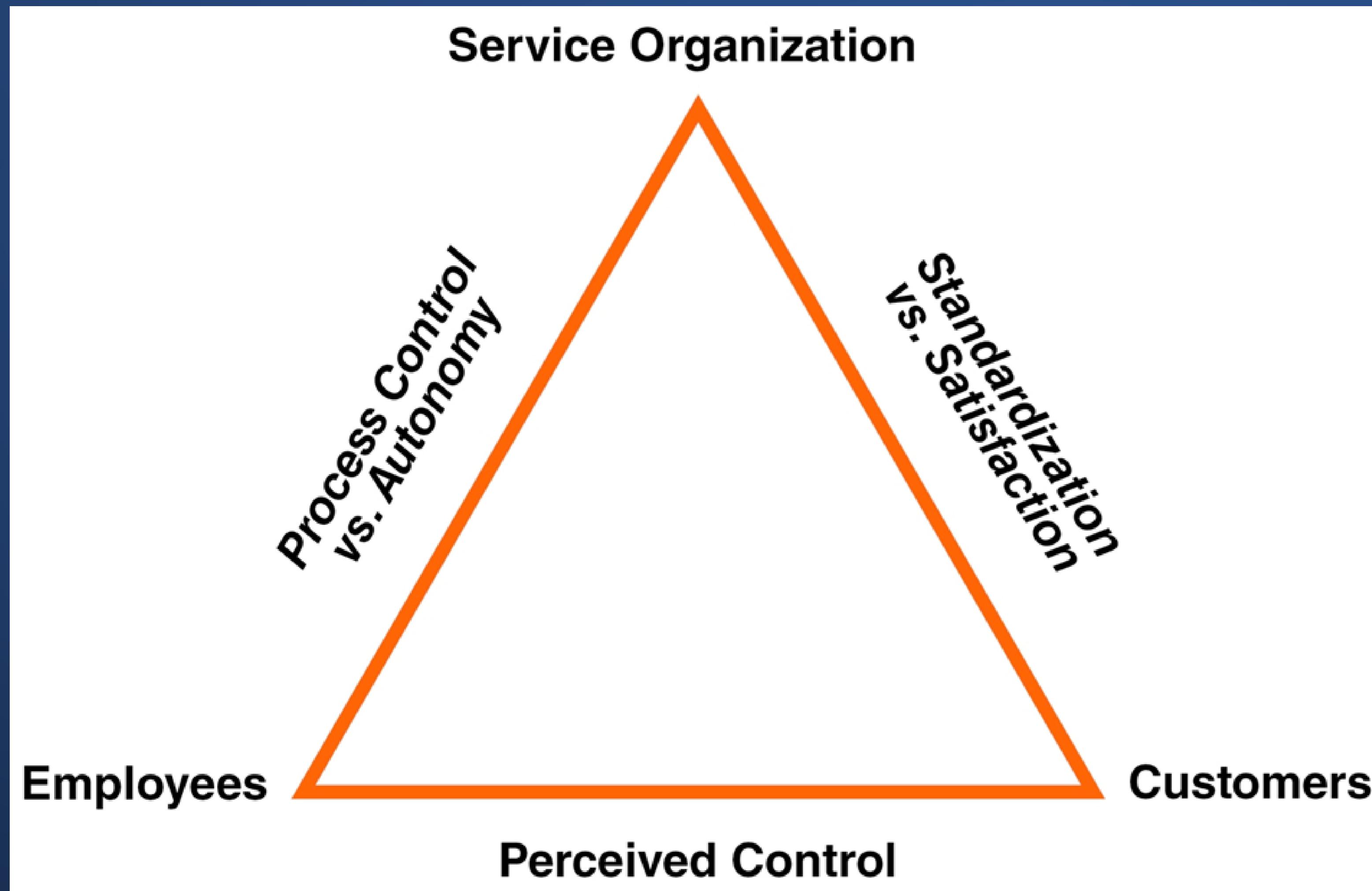


## Poll Question #2

Employees at Ritz Carlton must stick to protocols and frequently ask for approvals from supervisors for any daily tasks.

Why is this important for their operations?

# Service Encounter Triad





# Bonus Materials

# Other Lessons from Ritz Carlton Information

## Videos to watch in your own time

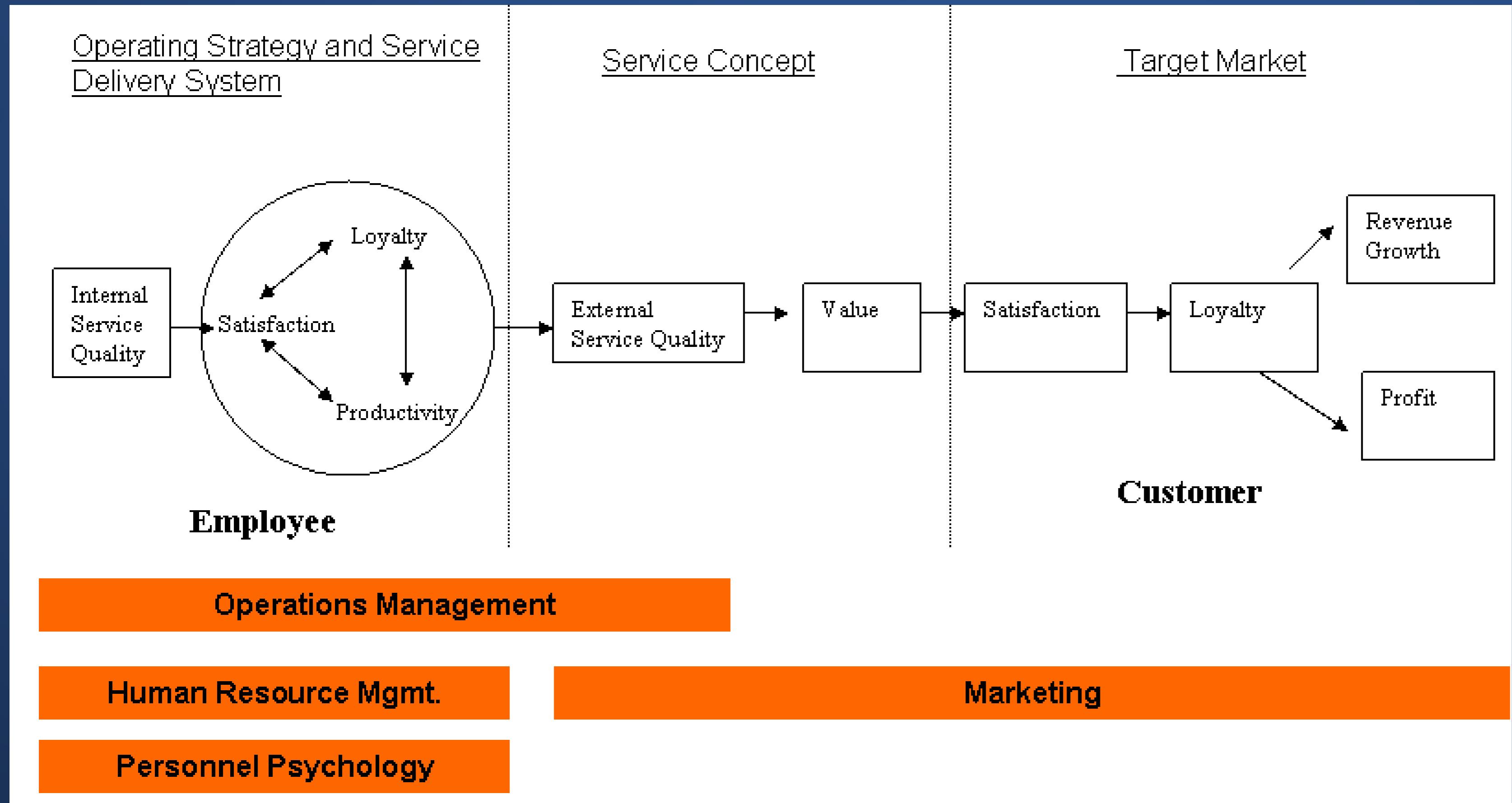
[https://www.youtube.com/watch?v=i91dT\\_M0LM](https://www.youtube.com/watch?v=i91dT_M0LM)

<https://www.youtube.com/watch?v=37jFhiUyx24>

## Write-up on community initiative

<https://www.ritzcarlton.com/en/community-footprints/programs/impact-experiences>

# Service Profit Chain



Adopted from Stodnick, 2004. PhD Dissertation, The Ohio State University

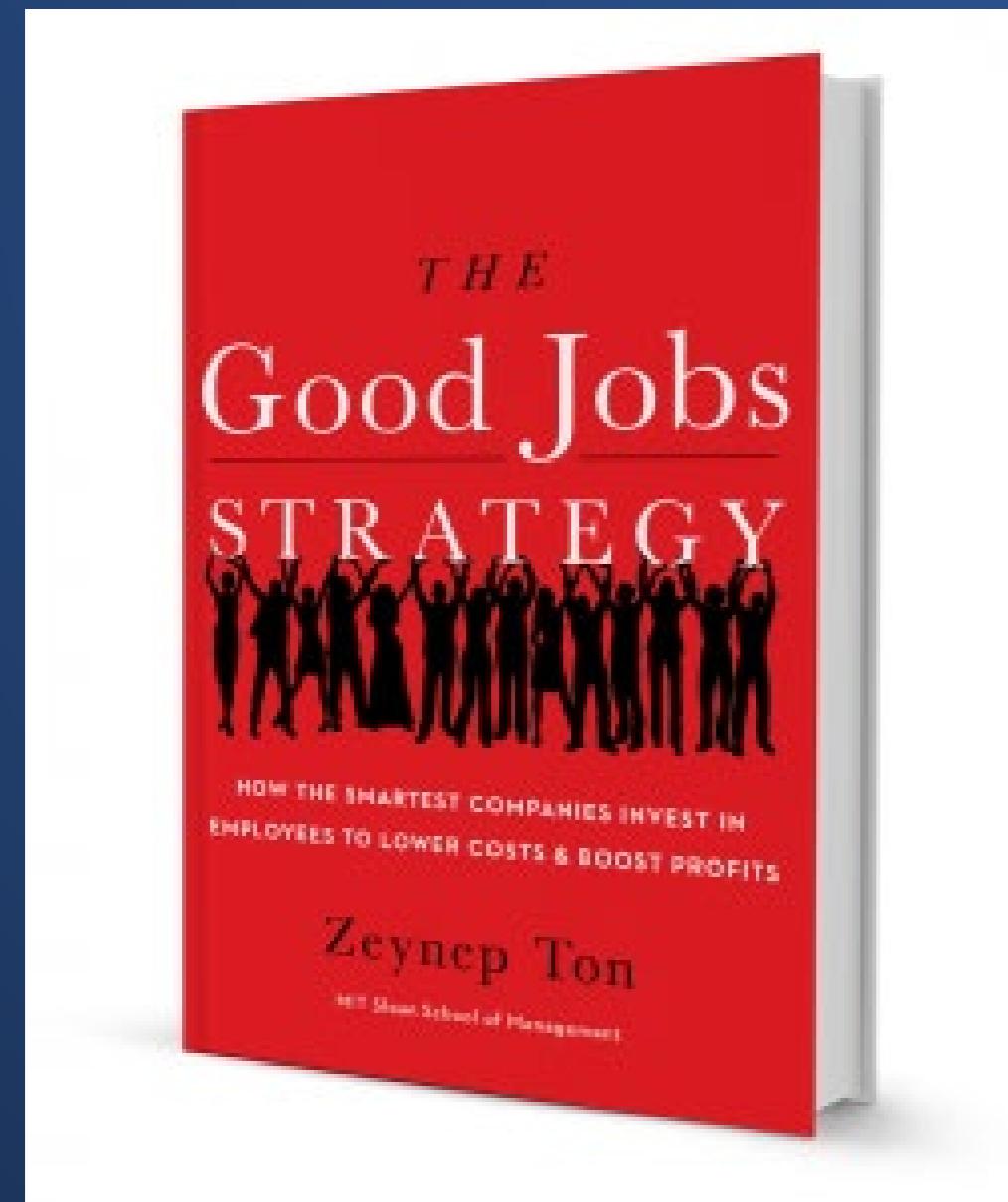
Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, W. E., & Schlesinger, L. A. (2008). Putting the Service-Profit Chain to Work. Harvard Business Review, 118-129.

# Human Centered Operations Strategy

Better paid and more  
numbers of employees

Combining standardization  
and empowerment

## Exemplars



Costco <http://www.costco.com/>

Southwest Airlines  
<https://www.southwest.com/>

Trader Joe's  
<http://www.traderjoes.com/>

# Control and Flexibility Paradox

Temper ad hoc adherence to work routines  
Get input of frontline employees for process design  
Combine adherence with adaptation  
Build in flexibility with standardization

# Looking Forward to Next Week

Process Metrics on Coursera

Practice problems on Canvas

Paediatric Orthopaedic... Case

Discussion questions

# Paediatric Orthopaedic Clinic

## Case Analysis Questions

What is the main issue and what are the implications?

What is the activity utilization at every step in the process?

How is variability affecting the capacity at the clinic?

Where is the bottleneck at the clinic?

What recommendations would you make and why?

Thank You!