

## Business 1220 Operations Management Study Sheet

### TASK ANALYSIS:

Based on the customer's needs, prioritize the core and non-core process outcomes.

### Quality, Quantity, Price, Service, Function

What implications does this have for production?

### PROCESS IDENTIFICATION:

	Project	Job Shop	Batch	Line Flow	Continuous Flow
LABOUR	Experts, Trades people	High / Moderate Skill		Low Skill	
EQUIPMENT	Unique, One function, High investment	General, Less automation, Low investment		Specialized, High degree of automation, High investment	
PRODUCTION TRIGGERS	Customer Triggered		Produce to Anticipated Demand		
PRODUCT VARIATIONS	Unique design, One of a kind	Very high	High	Low	None
PRODUCT VOLUMES	One or very few	Low volumes	Low volumes	High volumes	Very high volumes

Is the appropriate production process being used?

### PROCESS ANALYSIS:

- Capacity is the volume of output that a process can produce.
- Calculate capacity and compare this to demand. Consider the bottleneck and any possible line balancing that can occur. Are any changes necessary?

### TRADEOFF ANALYSIS:

- $\text{Net Benefit} = \text{Incremental Benefits} - \text{Incremental Costs}$   
*The annual income associated with an investment*
- $\text{Payback} = \text{Investment} \div \text{Net Benefit}$   
*The length of time required to recoup the cost of an investment*
- **Qualitative** pros and cons of each option?

### DECISION & ACTION PLAN:

*As a production manager I would make the following recommendations...*