

## School of Management

# MGMT 313 STRATEGIC OPERATIONS MANAGEMENT

Trimester One 2012

## COURSE OUTLINE

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### Names and Contact Details

#### **COURSE COORDINATOR**

##### **Professor Lawrence Corbett**

Room: RH 901, Rutherford House

Phone: 463 5138

Email: [lawrence.corbett@vuw.ac.nz](mailto:lawrence.corbett@vuw.ac.nz)

Website: [www.vuw.ac.nz/vms](http://www.vuw.ac.nz/vms)

#### **ADMINISTRATOR**

##### **Luisa Acheson**

Room: RH 1022

Phone: 463 5381

Email: [luisa.acheson@vuw.ac.nz](mailto:luisa.acheson@vuw.ac.nz)

#### **TUTORIAL COORDINATOR**

##### **Garry Tansley**

Room: RH 915

Phone: 463-6968

Email: [garry.tansley@vuw.ac.nz](mailto:garry.tansley@vuw.ac.nz)

#### **TUTOR**

##### **Anton Vegar**

Phone: 0210670416

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#### **Trimester Dates:**

From Monday 5 March to Friday 15 June

#### **Withdrawal dates:**

1. Your fees will be refunded if you withdraw from this course on or before 16 March 2012.
2. The standard last date for withdrawal from this course is 18 May 2012. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an 'Application for Associate Dean's Permission to Withdraw Late' including supporting documentation.

The application form is available from either of the Faculty's Student Customer Service Desks.

## **Class Times and Room Numbers**

Lectures:      Friday:            1440-1630                      Venue: GBLT2

Tutorials:

Tut1	Thu	13:40	14:30	RHG03
Tut2	Thu	16:40	17:30	RHG03
Tut3	Fri	13:40	14:30	RHG01
Tut4	Fri	12:40	13:30	RHG01

## **Course content**

This course examines the nature, content, development and implementation of an organisation's operations strategy, and the consequent implications for the management of quality, productivity, capacity, and process improvement. Students analyse the relationships between manufacturing and service companies and their suppliers, customers, and competitors. The course covers strategic decisions in technology, facilities, vertical integration, human resources, and other areas, and also explores means of competition such as cost, quality, and innovativeness.

It is intended for students who

- have a strong interest in understanding operations – in either manufacturing or service industries – and the role operations can play in business strategy and competitive advantage.
- are interested in developing greater understanding of operations from a strategic perspective
- perhaps intend at some early stage in their career, either to manage or consult for operations in the service and manufacturing industries.

In particular, it covers:

- Introducing the key elements of operations strategy and management and their historical context for the delivery of both services and goods.
- Reflecting upon the role of operations strategy and management within the organization and their contribution to wider organizational strategies, goals and objectives.
- Considering how organizations can develop and deploy distinct operational strategies.
- Understanding the context of operations strategy and management and its links with other disciplines of management and other organizations.
- Demonstrating the link between core concepts and modern applications in a number of industries.
- Appreciating the contemporary changes within the field of study and the current research directions.
- Encouraging a critical reflection on the orientation and direction of operations strategy and management as a body of learning.

## **Course Learning Objectives:**

By the end of the course, students should be able to:

CLO1; Critique the role of operations strategy within an organisation and its contribution to wider organisational strategies, goals and objectives;

CLO2: Analyse, evaluate and recommend changes in the operations strategy of an organisation.

CLO3: Integrate knowledge gained in other courses and to deliver additional information in the area of manufacturing and service operations, particularly with regard to the job of the general manager and the operating function.

CLO4: Demonstrate a managerial point of view i.e. a capacity for analysing operating problems on a functional, business, and company-wide basis.

### Course delivery

Lectures: 2 hours per week

Tutorials: one hour per week for 7 of 12 weeks of trimester.

Invited speakers may deliver some of the lectures on their specialist or practitioner knowledge.

### Expected workload

One point should equate to 10 hours of work, which means a total of 150 hours for a 15-point course, which will typically be spread over a 15 week period (the 12 teaching weeks, mid-trimester break, study week). Time spent on work outside class has to be an estimate for an average student.

### Group Work

While the course has a tradition of study group collaboration, there are important elements in the assessment process that are strictly individual. Collaboration on individual assignments is not allowed beyond general discussion as to how one might interpret the nature of the assignment question. Please do not work together to formulate a response and do not loan out your completed assignments. You will be expected and encouraged to work in groups on in-term cases and assignments; however reports must be individual submissions,.

### Readings

The **required** textbook is:

Slack, and Lewis, *Operations Strategy*, 3<sup>rd</sup> edn., 2010,

Prentice Hall/Pearson.

Available at Vicbooks, \$126

Other **recommended** textbooks and readings will be listed on Blackboard or provided in class:

### Assessment Requirements

A student's overall grade in the paper will be based on the following pieces of assessment. Please do NOT put any of your submitted work in a binder - a plastic sleeve is okay if you want to keep it clean. Ensure your work is stapled in top left of page. Do not use pins, as the markers hate to shed blood over their task.

Assignment	Title	Weight
1	Operations strategy comparison project (Assesses LO1,2,3,4)	50%
2	Case assignments (2 @ 15%) (Assesses LO1,2,4)	30%
3	Contribution to class/tutorial discussion (Assesses LO1.2)	20%

**All assignments due 4 pm on the respective date with hard copy to be placed in dropbox #27 on RH Mezzanine floor, and electronic copy uploaded through Assignments tab in Blackboard.**

### **1. Operations strategy comparison project**

Due date: June 11

A detailed description of the assignment is on Blackboard>>Assignments tab

### **2. Case assignments**

Two case assignments need to be completed.

Date due for #1: April 3 @4pm *Engineering Inspection and Insurance Company*

Due date for #2: May 14 @ 4pm *Bonkers Chocolate Factory*

#### ***Format for Case Write-up***

Assume you are writing to someone who knows the facts; keep it succinct because nobody likes reading long reports. The write-up is not to exceed three single-spaced pages of typed text (not smaller than 12 pt. font, please), with up to three supporting exhibits. Your paper should be guided by the study questions provided on Blackboard - click on Assignment tab in LH sidebar to go directly..

### **3. Contribution to tutorials, class discussion and presentations**

All students are expected to be an active participant throughout the entire class (particularly during case discussions) and to contribute to the quality of that discussion. Please note that the frequency (i.e. the quantity) of your interventions in class is not the key criterion for effective class participation. The classroom should be considered a laboratory in which you can test your ability to convince your peers of the correctness of your approach to complex problems and of your ability to achieve the desired results through the use of that approach. Criteria that are useful in measuring effective class participation include:

- (1) Are the points that are made relevant to the discussion? Are they linked to the comments of others?
- (2) Do the comments show evidence of analysis of the case?
- (3) Is there a willingness to participate?
- (4) Is there willingness to test new ideas, or are all comments "safe" (for example, repetition of case facts without analysis and conclusions)?
- (5) Do comments clarify or build upon the important aspects of earlier comments and lead to a clearer statement of the concepts being covered and the problems being addressed?

#### **Important note**

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.

#### **Handing in assignments**

**Soft copy**: to be uploaded through Blackboard

**Hard copy:** Assignments should be deposited in course **Box #27 on RH Mezzanine floor** as specified by 4pm on due date. *Late assignments need to be delivered to Luisa in RH1022.* All completed assignments must have a cover sheet. The cover sheet is in Annex A.

Students must also keep an electronic copy of their work archived in case the original assignment goes missing. Failure to do so will jeopardise any claim by you that your work was submitted in the rare cases where your work goes astray.

## COURSE CALENDAR 2012

Week	Topics	Class Objectives
1 March 5	Introduction to the Course Course outline, expectations, outcomes and schedule	We will explore some introductory issues such as <ul style="list-style-type: none"> <li>• What is 'operations management' and why is it so important?</li> <li>• What is strategy?</li> <li>• What is operations strategy?</li> <li>• How should operations reflect overall strategy?</li> </ul>
2 March 12	Operations strategy	We will examine what are operations strategy performance objectives? What are operations strategy decision areas? How do performance objectives relate to decision areas? We will discuss the McDonald's case in text, and <i>the Business Week</i> article bringing the company history up to the present
3 March 19	Operations performance	We will discuss how strategies emphasising different performance objectives are likely to need different operations strategy decisions, <b>and</b> how the relative priority of performance objectives differs in terms of whether competitive factors are order winners or qualifiers.
4 March 26	Substitutes for strategy	This session deals with a number of 'new' approaches to the management of operations that are often seen as operations strategies, but are not actually strategies in themselves.
5	No class – Good Friday	
6 April 27	Capacity strategy	Chapter 4 Some key points to be covered include: How we manage capacity in the longer term is influenced by both market and operations resource factors. The idea of the breakeven point is hugely important. Profitability and volume are not always related in a straightforward manner. The idea of economies of scale and diseconomies of scale apply to all types of operation. In particular, diseconomies of scale are a function of customer

		perception as well as the straightforward cost implications of scale.
7 May 4	Process technology strategy	Chapter 6 We will aim to establish the idea that all operations have some type of process technology. □□To illustrate various types of material, information and customer processing technology. □□To examine the strategic relevance of process technology choice and development.
8 May 11	Purchasing and supply strategy	Chapter 5 Some key points to be covered include: All organisations have a supply network. One does not have to have any physical flow of physical products in order to have suppliers, customers, suppliers' suppliers, customers' customers and so on. A supply network perspective is by definition a strategic perspective. Globalisation has changed the nature of how we think about supply networks. Outsourcing or vertical integration is a particularly important topic given the globalised circumstances of many operations in recent years.
9 May 18	Improvement strategy	Chapter 7 The key questions we will cover are: What are the differences between managing large 'breakthrough' improvement and managing continuous improvement? How do the needs of the market direct the ongoing development of operations processes? How can the ongoing management and control of operations be harnessed to develop their capabilities? What can operations do to deploy their capabilities into the market?
10 May 25	Product and service development and organisation	Chapter 8: Why is the way in which companies develop their products and services so important? What process do companies use to develop products and services? How should the effectiveness of the product and service development process be judged in terms of fulfilling market requirements?
11 June 1	The process of operations strategy	Chapter 9 & 10 We will divide the process of operations strategy formulation into four stages: formulation, implementation, monitoring and control. Chapter 9 looks at the first two of these stages:

		formulation and implementation, while Chapter 10 examines the final two stages: monitoring and control.
12 June 8	Sustainability and strategy Course wrap-up	Readings tba We will examine the implications of “green” initiatives on operations strategy.

## READINGS

S&L refers to the course text *Operations Strategy* by Slack and Lewis

Week	Topic	Readings	Study questions
1 March 5	<b>Introduction to the Course</b>	S&L chapter 1	
2 March 12	Operations strategy	S&L chapter 1 Arndt, Michael. " <a href="#">McDonald's 24/7</a> ." <i>Business Week</i> , February 5, 2007. <i>Case</i> Upton, David M. "McDonald's Corporation (Abridged)." Harvard Business School Case in S&L	1. What were key operations milestones of McDonald's over the past 50 years? 2. What are the new challenges McDonald's faces in the 2000s and beyond? 3. What are the lessons for operations strategy from McDonald's?
3 March 19	Operations performance	S&L chapter 2 <i>Case</i> Zara (Lewis)	1. How does a company make decisions in each of the areas of operations? 2. What are Zara's decisions in facilities, capacity, vertical integration, HR, product generation process and production planning?
4 March 26	Substitutes for strategy	S&L chapter 3	
5	No class – Good Friday	No class	
6 April 27	Capacity strategy	S&L Chapter 4 Case: Tuatara	What are the order winners for Tuatara? Should they go for a capacity-lagging or capacity-leading strategy? How much capacity should Tuatara have in the new plant?
7 May 4	Process technology	S&L Chapter 6	Will computers eventually do everything? (S&L p189)

	strategy		Visitor Ponoko (tbc)
8 May 11	Purchasing and supply strategy	S&L Chapter 5	What might the supply network for a restaurant look like? What is the nationality of your car? (S&L p147)
9 May 18	Improvement strategy	S&L Chapter 7 Case: Turnaround at Preston Plant (S&L p371)	What operational capabilities have Preston developed? What strategic benefits have resulted from these capabilities?
10 May 25	Product and service development and organisation	S&L Chapter 8: Newspaper articles on Kodak	What are the lessons from the troubles at Kodak? (p.254)
11 June 1	The process of operations strategy	Chapter 9 &10 Case: Dressing Medical	How can they make the changes to the operations which the new product will require? How can they serve both markets with two different ranges of products at the same time?
12 June 8	Sustainability and strategy Course wrap-up	Readings tba	

## TUTORIAL PROGRAMME

Session	Week	Assignment / Topic
1	3 w/c Mar 19	<b>Establishing the connection between markets and operations:</b> Your task is to find a business-to-consumer website, formally list the 'marketing' promises which the website makes and then think about the operations implications of these promises. For example, what will the company have to do in terms of its inventory management, warehouse locations, relationships with suppliers, transportation, capacity management and so on in order to fulfil its promises?
2	4 w/c Mar 26	<b>Performance objectives differ for different operations with different strategies:</b> Your task is to explore the websites of two organisations such as Ryanair and Virgin, or Air New Zealand and Jetstar, and from that, deduce the differences between the relative importance of each performance objective.
3	5 w/c Apr 2	Case: Disneyland Resort Paris in S&L
4	6 w/c Apr 23	Case: Delta Synthetic Fibres in S&L
5	7 w/c Apr 30	Case: Ocado versus Tesco.com in S&L
6	10 w/c May 21	Find products in a local store that you consider constitute good design or bad design (under \$200 – you don't have to buy them but bring details to class and be prepared to justify your choices. How



		sustainable is the product and its manufacture?
7	11 w/c May28	<b>Spangler, Hoover and Dyson (in text chap 8):</b> Discuss why Spangler never became well known, Hoover dominated the market for so many decades and why Dyson has replaced Hoover as the leading manufacturer of vacuum cleaners.

### Mandatory Course Requirements

To meet Mandatory Course Requirements, students are required to:

- a. Submit all assignments within the allowable timeframe (see Penalties section below (i))
- b. Attend a minimum of 5 tutorials

Students who fail to satisfy the mandatory requirements for this course but who obtain 50% or more overall, will be awarded a "K" grade (this is a fail grade).

Standard fail grades (D or E) will be awarded when the student's overall course mark falls below the minimum pass mark, regardless of whether the mandatory course requirements have been satisfied or not.

Notice of Failure to meet Mandatory Course Requirements will be posted on Blackboard.

### Penalties - for Lateness & Excessive Length of Assignments

- (i) In fairness to other students, work submitted after any deadline will incur a penalty for lateness. **The penalty is 2 of the marks available (marks available means what the assignment is worth i.e. 20% or 20 marks) for an assignment submitted after the due time on the due date for each part day or day late.** (for example if an assignment is out of 20 and the assignment receives 50% then one day late means the mark will be out of 18 and the student will receive 50% of 18). **Saturdays, Sundays and public holidays** will be included when counting the number of days late. Assignments received **more than 7 days after the due date** will not be accepted and the student will **automatically fail the Mandatory Course Requirements**.
- (ii) Course Outlines provide a signal to students of forthcoming workload, dates of submission etc, and thus student study plans should take account of course requirements across all courses. Consequently, workload issues related to other courses and employment will not be accepted as reason for dispensation from mandatory requirements or waiver of penalties. **Extensions** to submission deadlines for any assigned work will only be granted in **exceptional circumstances**.
- (iii) Students who are unable to comply with any of the mandatory requirements should make a written application for an extension to the due date for submission of assigned work or for waiver of a penalty, **in advance**, to the **Tutorial Coordinator**, providing documentary evidence of the reasons of their circumstances.

All such applications must be made **before** the deadline and be accompanied by documentary evidence, eg a medical certificate, or counsellor's report clearly stating the degree of impairment, and the dates the illness or event prevented you from undertaking your academic studies. This can be applied retrospectively.

- (iv) In the event of unusual or unforeseeable circumstances (e.g. serious illness, family bereavement or other exceptional events), that precludes an application in advance,

students should make contact with the **Tutorial Coordinator** as soon as possible, and make application for waiver of a penalty as soon as practicable.

- (v) Word limits should be adhered to, especially so when they provide a guide to limiting the student's coverage of a topic. **The penalty will be 10% of the grade for an assignment which is 10% over the word limit.**

### **Grading Guidelines**

The following broad indicative characterisations of grade will apply in grading assignments:

A+	excellent performance in all respects at this level
A	excellent performance in almost all respects at this level
A-	excellent performance in many respects at this level
B+	very good, some aspects excellent
B, B-	good but not excellent performance at this level
C+, C	work satisfactory overall but inadequate in some respects
D	poor performance overall, some aspects adequate
E	well below the required standard

### **Policy on Remarking**

Every attempt is made to ensure that the marking is consistent across tutors and fair to students. Students may ask for their written work to be remarked. A different tutor will do the remarking and provide comments. The original marking sheet is removed to ensure the process is independent. If the mark differs by 10% or less the two marks are averaged. If it exceeds 10% then it is independently marked by a third marker and the average of the two closest marks is taken. Experience from previous years is that almost all remarks are within 10% and where there is a change in mark, half the assignments go up and half go down. Occasionally there is a significant shift in the mark.

Application for remarks must be made within 5 days after the marks are available. To apply for a remark, complete the request for re-examination of assessed work form stating which sections (criteria listed in the mark sheet) you wish re-examined. Write on why you think the mark does not, in your view, fairly reflect the quality of your work. Hand this with your assignment into the following place:-

- Pipitea Campus – the Reception Desk on Level 10 Rutherford House where your assignment will have the **time, date and signature** noted on the front cover by the person receiving it.

Allow up to 5 days for remarks to be completed.

### **Referencing**

There are many different styles of referencing and the Faculty of Commerce & Administration at VUW has decided to make APA (American Psychological Association) referencing style the common standard across the Faculty. The Commerce and Central Libraries hold the APA Style Guide. You can also access the information from the online VUW library site (<http://www.vuw.ac.nz/library/research/reference/referencingguides.aspx>).

## Communication

Information on course-related matters will be announced at class and posted on the **Blackboard** website at <http://blackboard.vuw.ac.nz/>. It will be crucial for you to check Blackboard regularly for messages, announcements and materials.

## Email Contact

Students wishing to contact staff by email should adhere to the following instructions:

Include the **Course Code**, your **Name**, your **Student ID** and the **Topic** in the subject area of the email, e.g. MGMT313\_Bell\_Stringer\_3000223344\_Ass1 Query

All students must use their VUW SCS email account and ID. Otherwise, email will be classified as Spam and will be dumped without being read. All emails with attachments will be dumped, unless requested by staff.

## Class Representative

A class representative will be elected in the first class, and that person's name and contact details made available to VUWSA, the Course Coordinator and the class. The class representative provides a communication channel to liaise with the Course Coordinator on behalf of students.

## Use of Turnitin

Student work provided for assessment in this course will be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting mis-referencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. *At the discretion of the Head of School, handwritten work may be copy-typed by the School and subject to checking by Turnitin.* You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

## General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student Conduct and any statutes relating to the particular qualifications being studied;

## For the following important information follow the links provided:

### General University Policies and Statutes

Find key dates, explanations of grades and other useful information at [www.victoria.ac.nz/home/study](http://www.victoria.ac.nz/home/study).

Find out about academic progress and restricted enrolment at [www.victoria.ac.nz/home/study/academic-progress](http://www.victoria.ac.nz/home/study/academic-progress).

The University's statutes and policies are available at [www.victoria.ac.nz/home/about/policy](http://www.victoria.ac.nz/home/about/policy), except qualification statutes, which are available via the Calendar webpage at [www.victoria.ac.nz/home/study/calendar](http://www.victoria.ac.nz/home/study/calendar) (See Section C).

Further information about the University's academic processes can be found on the website of the Assistant Vice-Chancellor (Academic) at [www.victoria.ac.nz/home/about\\_victoria/avcacademic/default.aspx](http://www.victoria.ac.nz/home/about_victoria/avcacademic/default.aspx)

**AVC (Academic) Website: information including: Conduct, Academic Grievances, Students with Impairments, Student Support**

[http://www.victoria.ac.nz/home/about\\_victoria/avcacademic/Publications.aspx](http://www.victoria.ac.nz/home/about_victoria/avcacademic/Publications.aspx)

**Faculty of Commerce and Administration Offices**

<http://www.victoria.ac.nz/fca/studenthelp/>

**Manaaki Pihipihinga Programme**

[http://www.victoria.ac.nz/st\\_services/mentoring/](http://www.victoria.ac.nz/st_services/mentoring/)

**Academic Integrity and Plagiarism**

Academic integrity is about honesty – put simply it means *no cheating*. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. The University defines plagiarism as follows:

*The presentation of the work of another person or other persons as if it were one's own, whether intended or not. This includes published or unpublished work, material on the Internet and the work of other students or staff.*

It is still plagiarism even if you re-structure the material or present it in your own style or words.

*Note: including the work of others will not be considered plagiarism as long as the work is acknowledged by appropriate referencing.*

Plagiarism is prohibited at Victoria and is not worth the risk. Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct and may be penalised severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- cancellation of your mark for an assessment or a fail grade for the course
- suspension from the course or the University.

Find out more about plagiarism, and how to avoid it, on the University's website:

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>



**Victoria Management School**

**MGMT 313 Individual Assignment Cover Sheet**

Assignment title \_\_\_\_\_

Name: \_\_\_\_\_ Student ID: \_\_\_\_\_

**Tutor's Name:** \_\_\_\_\_ **Tutorial Number:** \_\_\_\_\_

**Tutorial Day:** \_\_\_\_\_ **Tutorial Time:** \_\_\_\_\_

**Date Due:** \_\_\_\_\_ **Date Submitted:** \_\_\_\_\_

*I have read and understood the university policy on Academic Integrity and Plagiarism.  
I declare this assignment is free from plagiarism.*

Signed: \_\_\_\_\_

Extension of the due date (*if applicable*)

**Please attach a copy of the note authorising your extension.**

*Date extension applied for:* \_\_\_\_\_

Extension granted until: \_\_\_\_\_

Extension granted by: \_\_\_\_\_