MIDDLE EAST TECHNICAL UNIVERSITY DEPARTMENT OF BUSINESS ADMINISTRATION

BA 5602 – OPERATIONS MANAGEMENT Tues and Thu 14.40-16.15 G109

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Office Hours:	Office Hours: Mon and Thu 10.40-12.15 and by appointment	
Course Web Page: https://odtuclass		

Course Description:

Operations management is the design and management by an organization of all of the activities required to transform input resources into output products and services. The operations manager plans production, schedules work, and controls resources so as to meet the goals of the organization. This course covers the issues underlying the management of operations, and introduces the student to a variety of tools and techniques used by operations managers exploring alternative means of implementing decisions. As such, this course is a survey of some of the major decisions and methods of operations management.

Course Student Learning Objectives: (CSLOs)

Upon successful completion of this course, students should be able to: Course Specific Skills:

- 1. Understand the relevance of operations to all members of the organization and gain a clear understanding of the operations functions in service and manufacturing firms and how it integrates with the overall business
- 2. Develop the skills to apply specific operational tools and techniques to daily activities of firms. *Discipline Specific Skills:*
- 3. Analyze decision problems in operations.
- 4. Develop foundation skills for advanced operations management courses such as supply chain management, project management, services management, etc.

Personal and Key Skills:

- 5. Develop problem solving skills.
- 6. Develop discussion skills.
- 7. Apply knowledge learned to case studies and actual organizations.
- 8. Write case/company analysis reports.
- 9. Enhance presentation skills.

Learning and Teaching Methods:

This course is going to make use of formal lectures, videos, class exercises, simulations, and self-study hours.

Required Reading:

Russell, R. S., Taylor, B. W. **Operations Management: Creating Value Along the Supply Chain**, 8th Edition, by 2014.

The book is available through the METU Bookstore at https://www.odtuden.com.tr/. The student companion site for the book can be accessed at https://bcs.wiley.com/he-

<u>bcs/Books?action=index&bcsId=10633&itemId=1119320976</u>. The textbook can also be found in the Main Library Reserves. Students can use other editions of this text; however, they will be responsible for tracking which chapter corresponds to the material covered in class. The course slides can be downloaded from the ODTUClass system.

Assessment and Grading:				
Form of Assessment	% Contribution	Size of the assessment	CSLOs covered by the assessment	Feedback Method
Written Examinations	2x30	70 minute essay- type examinations	1, 2, 3, 4, 5	Written and oral (in class and in person)
Term Project Report	20	Self-study hours (10 hours)	1, 2, 3, 4, 5, 7, 8, 9	Written and oral (in person)

Simulation	10	Self-study hours (4 hours)	1, 2, 3, 5, 7	Written and oral (in person)
Class Discussions, Attendance, Participation	10	Class participation during regular lectures and class exercises	6, 7	Oral (in person)

<u>No</u> "extra" work above the aforementioned will be accepted or credited. There will be <u>no</u> make-ups for the exams without an approved excuse or a medical report. If you have a time conflict, please contact me <u>ahead of time</u>. This course does <u>not</u> have a final exam.

Midterm Exams: The exams will be during class hours and will be made up of essay-type questions. Everything in the chapters covered and class discussions will be included. The midterm exams will cover everything since the beginning of the term or since the last midterm exam. You may use printed course slides and a calculator during the exams.

Class participation: You are encouraged to demonstrate your knowledge of the assigned material or make comments during class. You may also be called on randomly. Please note that attendance does <u>not</u> mean participation. In participation, quality is more important than quantity. Students who have not submitted their **Student Information Sheets** (downloaded from the ODTUClass system) with a photo embedded by **October 18**th, **2022**, to ODTUClass will not receive a participation grade.

Simulation report: Students will work on an operations management simulation in groups of **maximum 2 students**. At the end of the simulation, the groups will present a maximum 3-page report (1.5-spaced font) explaining their strategies and lessons learned, and will also provide their best result outputs as an appendix. Pay for simulation at the Harvard coursepack website at https://hbsp.harvard.edu/import/98091. Detailed instructions are at the end of the syllabus.

Living Case Term Project: Students are required to study an organization and submit a written report. You will be responsible for finding an organization that will let you conduct the required analyses. You may pick manufacturing or service organizations, not-for-profit and voluntary organizations, governmental organizations, parts of METU or any other university as your focus.

The project may be conducted in teams of **up to 3 people**; i.e., it may be done in smaller groups or individually. **Present (using a one-page slide if you like) your team composition, team name, logo, motto, and the name of the organization you will be studying on November 1, 2022. Every member of the team is responsible for the research, presentation, and report, and the project grade will hold for every team member. If there are cases of non-productive team members, teams are expected to first address this problem themselves. If a team cannot do so, the instructor should be notified well before the project due date so that appropriate action may be taken.**

The projects will be presented during class hours on **January 3-5, 2023**. All team members have to participate in the presentation. The order of presentations will be determined randomly. If your group cannot make it on a certain date, it is your responsibility to find a group willing to swap dates with you. Projects will be evaluated on both content and delivery. Delivery includes whether your project presentation is interesting, professional, well-rehearsed, and clear. Are your transparencies, handouts, and slides readable, free of typos, informative, and interesting? Were you able to adequately answer any questions coming from the audience? Have you managed your time effectively and finished your presentation on time?

The projects will be turned in to Turnitin by **January 9, 2023, 5 pm** (one submission per team is enough, noting all team member names on the cover page). Your report should be maximum 15 pages (1.5 spaced) excluding appendices and references. Late project papers or papers severely exceeding page limits will NOT be graded unless you have a legitimate excuse cleared in advance.

Use your judgment to figure out which of the questions below are most applicable to your case. If there are topics or questions not directly suitable for your context, you are expected to find other OM tools that could be useful to your organization and apply them as appropriate. Additional OM subjects that can be examined in your project will earn you bonus points. You are also encouraged to use literature or tools outside of the scope of this course.

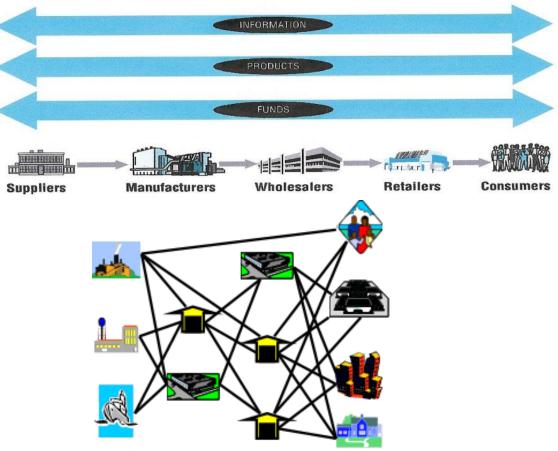
Term Project Part 1: Overview of firm and key operational considerations.

Cover the following aspects of organization as best as you can:

- 1. Goals of the organization—try to keep this limited to the local branch or store
 - a. Product or service offered
 - b. Competitive strategy, customers, market share, and competitors
 - c. Key success factors for your organization
 - d. Performance to date
- 2. Employees
 - a. Number
 - b. Skill level (or education)
 - c. Organization chart
- 3. What does the manager think the top issues are with regard to business and with regard to operations?

Term Project Part 2: Process design and process analysis

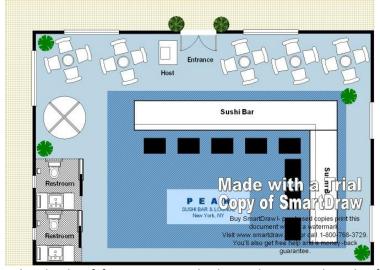
1. Make a list of major processes. Use the figures below as reference.



- 2. Does your organization have an assembly line, job shop, continuous flow, or project shop process/layout?
- 3. What are the measures of capacity for the organization?
- 4. Choose one significant process to study. Draw a process diagram for analysis. Is there scope for improving the process?

Present Method X		od X	PROCESS CHART	Proposed Method
CHART BY				CHART BY KH
DIST. IN FEET	TIME IN MINS.	CHART SYMBOLS	PROCESS I	DESCRIPTION
		$\bigcirc \Rightarrow \square \bigcirc \forall$	Meat Patty in Storage	;
1.5	.05	OPIDV	Transfer to Broiler	
	2.50		Broiler	
	.05		Visual Inspection	
1.0	.05		Transfer to Rack	
	.15		Temporary Storage	
.5	.10		Obtain Buns, Lettuce,	etc.
	.20		Assemble Order	
.5	.05		Place in Finish Rack	
3.5	3.15	241-2	TOTALS	
Value-added time = Operation time/Total time = (2.50+.20)/3.15 = 85.7%				
○ = operation; ⇒ = transportation; = inspection; = delay; = storage.				

5. Draw a layout and comment on improvements that can be made. A sample layout is shown below.



6. What kinds of forecasting methods are being used in the firm? How appropriate are these forecasting methods to the problems the firm faces?

Term Project Part 3: Total Quality Management

- 1. What is the organization's philosophy towards quality? Define quality for your firm's product or service along various quality dimensions. Does the firm have a quality system, i.e., a set of written procedures? If they do not have written procedures, how are they able to ensure consistent delivery of quality service?
- 2. Take a particular dimension and actually measure quality. Note that measurement can be done using industry standards, observation, by comparison against a "standard" product or service, as well as by asking customers' for their opinion. Compare the measurement with a benchmark.
- 3. What concrete suggestions can you make to the organization in terms of usage of TQM/SPC/other tools and techniques?

Term Project Part 4: Inventory Management

- 1. Can your product or service be inventoried? How does your organization manage inventory? Can you suggest improvements?
- 2. How would you implement the Just in Time philosophy for your organization? Does it make sense to do this?
- 3. As a final analysis, apply (modify as needed) E. Goodson's "Read a Plant—Fast" (Harvard Business Review, May 2002) article to summarize your overall findings of your organization.

Course Schedule

The following table gives the **tentative** schedule for the semester. The lectures will stress the most important and/or most difficult material. We have a lot of topics to cover so based on our pace, adjustments may be required in the schedule.

Oct. 4-6	Introduction (Chapter 1), Operations Management at Hard Rock Café	
	video, Operations Management at Frito Lay video	
Oct. 11-13	Process strategy (Chapter 6), Process Strategy and Selection video,	
	Service Process Matrix video, manufacturing technologies videos	
Oct. 18-20	Layout strategies (Chapter 7), Layout of the Arnold Palmer Hospital's New	
	Facility video	
Oct. 25	Location strategies (Chapter 7S), Where to Place Hard Rock's Next Café	
	video	
Oct. 27-Nov. 1	Managing quality (Chapter 2), Culture of Quality at Arnold Palmer	
	Hospital video, Quality at the Ritz-Carlton Hotel video	
Nov. 3-8	Statistical process control (Chapter 3), Honda video	
Nov. 10-17	Forecasting (Chapter 12), Forecasting exercise	
Nov. 22	Nov. 22 Midterm 1 (Chps. 1, 6, 7, 7S, 2, 3, 12?)	
Nov. 24-Dec. 1	Inventory management (Chapter 13), "He Shoots, He Scores" game.	
Dec. 6	Aggregate planning (Chapter 14)	
Dec. 8	MRP and ERP (Chapter 15)	
Dec. 13-15	Scheduling (Chapter 17)	
Dec. 15-20	Lean systems (Chapter 16), JIT exercise, Honda & Visa ad videos	
Dec. 22-27	Project management (Chapter 9), Muzikfest game	
Dec. 29	Midterm 2 (Chps. 12?, 13, 14, 15, 17, 16, 9)	
Jan. 3-5	Term project presentations	

Course Policies:

STUDENT DISABILITIES: Any student, who, because of a disabling condition, may require special arrangements in order to meet course requirements, should contact the instructor as soon as possible. Students should present the appropriate documentation from the university's <u>Disability Support Office</u> (Engelsiz ODTÜ Birimi, ODTÜ Kütüphanesi, Solmaz İzdemir Salonu, Tel: 210.7196; engelsiz@metu.edu.tr) verifying their disability, and outlining the special arrangements required. Please note that no accommodations will be provided to the disabled students prior to the completion of this approved University process.

ACADEMIC DISHONESTY: The Department of Business Administration has no tolerance for acts of academic dishonesty. Such acts damage the reputation of METU, the department and the BA/MBA/MS degree and demean the honest efforts of the majority of the students. The minimum penalty for an act of academic dishonesty will be a zero for that assignment or exam.

CHEATING: All university, faculty/institute, and department principles on academic honesty will be strictly enforced. The usual consequence for academic dishonesty is failure of the course and referral of the case to the Dean of the Faculty/Institute for additional disciplinary action. Examinations are individual and are to be completed without outside assistance of any sort. Persons observed cheating during examinations will receive a failing grade in the course. Homework assignments are individual, unless otherwise specified by the instructor, and are to be completed without outside assistance of any sort, as well. Persons observed cheating in their homework assignments will receive a score of zero for the portion of the semester grade that is allocated to such assignments.

PLAGIARISM: The instructor assumes that students will do their own work. By placing their names on assignments (individual or team), students are affirming that the contents are their original work. Any previous work available from files or past students, as well as materials available on the internet may be used only as a suggestive model. Violation of this provision will be considered as unethical behavior, subject to disciplinary action. If you have any doubt about the use of a specific material, see the instructor ahead of time. Any material used from outside sources should be referenced appropriately.

METU HONOR CODE

Every member of METU community adopts the following honor code as one of the core principles of academic life and strives to develop an academic environment where continuous adherence to this code is promoted. "The members of the METU community are reliable, responsible and honorable people who embrace only the success and recognition they deserve, and act with integrity in their use, evaluation and presentation of facts, data and documents."

GOOD LUCK AND ENJOY THE CLASS!

How to access your Harvard Coursepack(s) as a student:

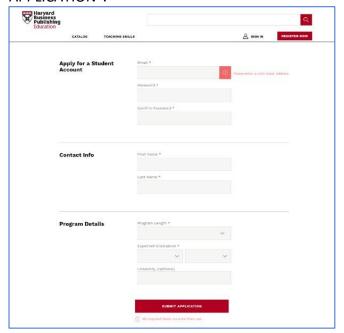
Once your course materials have been created, you will be sent a course link to your course. The course URL will look similar to this: http://hbsp.harvard.edu/cb/access/6385986. The numbers at the end of this link are the specific identifier for this unique course.

Once you have accessed the link to your respective Harvard Business Publishing coursepack, you will navigate to this screen.

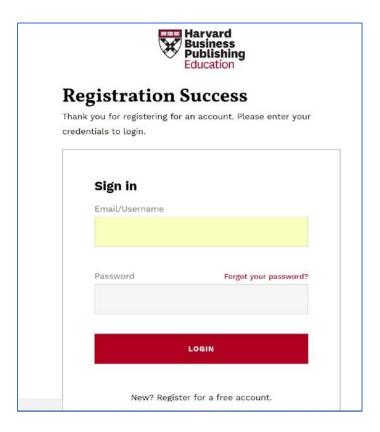
- If you have never registered on our educator's site, please click on "REGISTER".
- If you have already registered as a student when accessing a prior course on our site, please sign in with your username and password and you will be able to access the coursepack immediately.



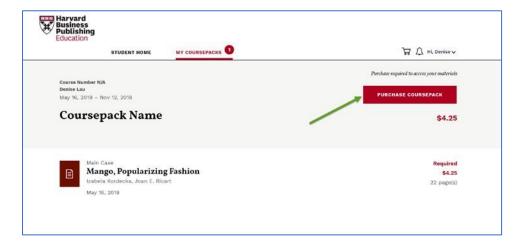
If you are registering for an account, after clicking "REGISTER," this is the screen you will navigate to in order to begin your short registration process. Please fill in all the required fields and click on "SUBMIT APPLICATION".



Once your registration is successful, you will be navigated to this screen below. Enter your username and password and click on LOGIN.



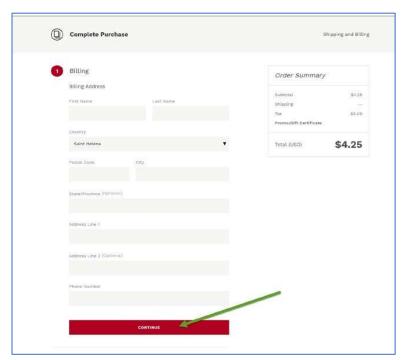
Once logged in, you will see "MY COURSEPACKS" and the coursepack you need to access is in there. To purchase the coursepack, click on PURCHASE COURSEPACK.



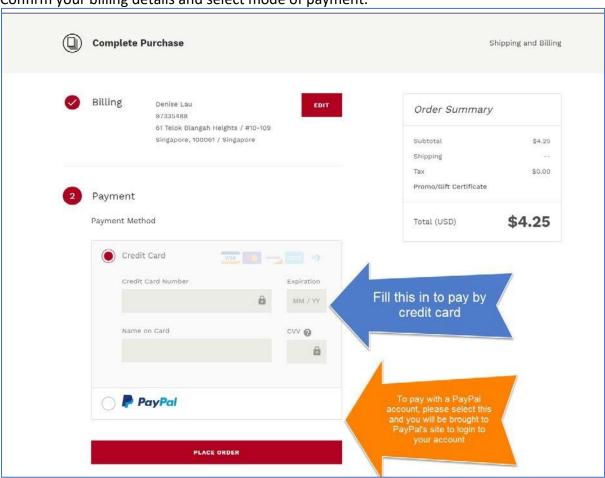
Then in the next screen below, click on "PROCEED TO CHECKOUT".



Complete all the required fields and click CONTINUE.



Confirm your billing details and select mode of payment.



Once payment is successful, you will see this screen below. Click on "GO TO COURSEPACK" to access the purchase materials in the coursepacks.

Thank you, your order has been placed!

An order receipt has been emailed to you.

Order Number: 25832