



# **Operations Management I**

Code: 102393 ECTS Credits: 6

Degree	Туре	Year	Semester
2501572 Business Administration and Management	ОВ	3	2

### Contact

Name: Víctor Giménez García Email: Victor.Gimenez@uab.cat

#### **Teachers**

Olga Borrell Vilanova Julio Pérez Ortega Alexandra Simon Villar

## **Use of languages**

Principal working language: catalan (cat)
Some groups entirely in English: Yes
Some groups entirely in Catalan: Yes
Some groups entirely in Spanish: Yes

## **Prerequisites**

Subject development doesn't requires any knowledge prerequisites.

Obviously, all administrative requirements to course the subject must be fulfilled to enroll in the course.

# **Objectives and Contextualisation**

- To introduce a modern approach to Operations Management as a basement to achieve an integrated management of the company
- To place the production system as the union of procurement, manufacturing and distribution subsystems positioning itself in relation with Finance and Marketing Systems
- To introduce the strategic and operational aspects of the production function
- To know the main decision areas of the operations area
- To know the main tools used to support decisions in the operations area

# **Skills**

- Apply mathematical instruments to synthesise complex economic-business situations.
- Apply theoretical knowledge to improve relations with clients and suppliers, identifying the advantages and disadvantages of those relations for both sides: company and client or supplier.
- Capacity for adapting to changing environments.
- Demonstrate initiative and work individually when the situation requires it.
- Identify, justify and reason the appropriate decisions according to the basic parameters of a business problem.
- Organise the work in terms of good time management, organisation and planning.

- Select and generate the information necessary for each problem, analyse it and take decisions based on that information.
- Show motivation for carrying out quality work and sensitivity to the consequences for the environment and society.
- Take decisions in situations of uncertainty, demonstrating an entrepreneurial and innovative attitude.
- Use of the available information technology and adaptation to new technological environments.
- Work well in a team, being able to argue proposals and validate or reject the arguments of others in a reasoned manner.

# Learning outcomes

- 1. Apply algorithmic resolution techniques to optimisation problems.
- 2. Apply the basic principles of modelling in business decision-making.
- 3. Capacity to adapt to changing environments.
- 4. Demonstrate initiative and work independently when required.
- 5. Demonstrate motivation regarding the quality of the work performed and sensitivity regarding the consequences on the environment and society.
- 6. Differentiate between alternative methods of analysis, and apply the appropriate quantitative tools to resolve business management problems.
- 7. Make decisions in situations of uncertainty and show an enterprising and innovative spirit.
- 8. Model the management of business operations by applying quantitative support techniques.
- 9. Organise work, in terms of good time management and organisation and planning.
- 10. Select and generate the information needed for each problem, analyse it and make decisions based on this information.
- 11. Solve problems optimising and obtaining forecasts through information technology applications.
- 12. Use available information technology and be able to adapt to new technological settings.
- 13. Use forecasting techniques in business contexts.
- 14. Work as part of a team and be able to argue own proposals and validate or refuse the arguments of others in a reasonable manner.

### Content

#### THEME I - INTRODUCTION TO OPERATIONS MANAGEMENT

- 1. What is Operations Management?
- 2. Why study OM?
- 3. The production function and the production system
- 4. Goods versus services
- 5. What operations managers do
- 6. OM and the strategy of the firm
- 7. New trends in OM

### THEME II - PROCESS DESIGN AND PLANNING

#### PART 1 - Capacity and Performance Measurement

- 1. Process strategies
- 2. Capacity and Productivity
- 3. Considerations on capacity and strategy

#### PART 2 - Time studies

- 1. Labor Standards and Work Measurement
- 2. Time studies
- 3. Predetermined Time Standards

### PART 3 - Line Balancing

- 1. Production lines
- 2. Cycle Time, Number of Workstations, Efficiency
- 3. Heuristic methods for elements assignment

#### THEME III - PRODUCTION PLANNING

- 1. What is Aggregate Planning?
- 2. Methods for Aggregate Planning
  - 1. Graphical Methods (constant workforce; variable workforce; subcontracting)
  - 2. Transportation Method of Linear Programming (Bowman)
  - 3. Other models

### THEME IV - MATERIALS REQUIREMENT PLANNING

- 1. MRP: definition and benefits
- 2. Dependent demand
- 3. Master Production Schedule (MPS)
- 4. From Aggregate Production Plan to MPS
- 5. Bill of Materials (BOM)
- 6. Lead times, safety stock and lot policy
- 7. Examples MRP

#### THEME V - PRODUCTION SCHEDULING

- 1. The strategic importance of short-term scheduling
- 2. Scheduling issues
  - 1. Forward and backward scheduling
  - 2. Scheduling criteria
  - 3. Scheduling process-focused facilities
  - 4. Loading jobs
  - 5. Sequencing jobs
  - 6. Finite Capacity Scheduling (FCS)
  - 7. Theory of Constraints
  - 8. Scheduling repetitive facilities
  - 9. Scheduling services

### THEME VI - INVENTORY MANAGEMENT FOR INDEPENDENT DEMAND PRODUCTS

- 1. Inventory: functions and types
- 2. What is inventory management?
- 3. ABC analysis
- 4. Holding, Ordering, and Setup Costs
- 5. Inventory Models for Independent Demand
  - 1. Basic economic order quantity
  - 2. Production order quantity
  - 3. Quantity discount model
- 6. Deterministic versus probabilistic Models
- 7. Probabilistic Models and Safety Stock
- 8. Fixed quantity (Q) versus fixed period (P) models

## Methodology

Through the course the different chapters of the course will be developed.

Usually a series of materials and activities will have to be worked by the student prior to the classes to motivate and improve the comprehension of the subject.

Through each chapter, a series of exercises and activities will be proposed to the students to reinforce the

contents. These activities will be developed by reduced groups of students.

Each week the teachers will be available some hours to attend the students individually to solve any doubts they may have (tutorial time).

### **Activities**

Title	Hours	ECTS	Learning outcomes
Type: Directed			
Practise classes	20	0.8	2, 1, 3, 4, 6, 8, 5, 9, 7, 11, 10, 14, 12, 13
Theory classes	30	1.2	2, 1, 6, 8, 7, 11, 10, 12, 13
Type: Autonomous			
Group project preparation	15	0.6	2, 1, 3, 4, 6, 8, 5, 9, 7, 11, 10, 14, 12, 13
Study	81	3.24	2, 1, 3, 4, 6, 8, 9, 7, 11, 10, 12, 13

#### **Evaluation**

A student is considered as "Not evaluable" for the final overall grade, whenever he/she did not participate to any evaluation activity.

#### Calendar of evaluation activities

The dates of the evaluation activities (midterm exams, exercises in the classroom, assignments, ...) will be announced well in advance during the semester.

The date of the final exam is scheduled in the assessment calendar of the Faculty.

"The dates of evaluation activities cannot be modified, unless there is an exceptional and duly justified reason why an evaluation activity cannot be carried out. In this case, the degree coordinator will contact both the teaching staff and the affected student, and a new date will be scheduled within the same academic period to make up for the missed evaluation activity." Section 1 of Article 115. Calendar of evaluation activities (Academic Regulations UAB). Students of the Faculty of Economics and Business, who in accordance with the previous paragraph need to change an evaluation activity date must process the request by filling out an Application for exams' reschedule

https://eformularis.uab.cat/group/deganat\_feie/application-for-exams-reschedule

#### Grade revision process

After all grading activities have ended, students will be informed of the date and way in which the course grades will be published. Students will be also be informed of the procedure, place, date and time of grade revision following University regulations.

# **Retake Process**

"To be eligible to participate in the retake process, it is required for students to have been previously been evaluated for at least two thirds of the total evaluation activities of the subject." Section 3 ofArticle 112 ter. The recovery (UAB Academic Regulations). Additionally, it is required that the student to have achieved an average grade of the subject between 3.5 and 4.9.

The date of the retake exam will be posted in the calendar of evaluation activities of the Faculty. Students who take this exam and pass, will get a grade of 5 for the subject. If the student does not pass the retake, the grade will remain unchanged, and hence, student will fail the course.

#### Irregularities in evaluation activities

In spite of other disciplinary measures deemed appropriate, and in accordance with current academic regulations, "in the case that the student makes any irregularity that could lead to a significant variation in the grade of an evaluation activity, it will be graded with a 0, regardless of the disciplinary process that can be instructed. In case of various irregularities occur in the evaluation of the same subject, the final grade of this subject will be 0". Section 10 of Article 116. Results of the evaluation. (UAB Academic Regulations).

### **Evaluation activities**

Title	Weighting	Hours	ECTS	Learning outcomes
Final exam	50%	2.5	0.1	2, 1, 3, 4, 6, 8, 5, 9, 7, 11, 10, 13
Group project	15%	0	0	2, 3, 6, 8, 5, 9, 7, 10, 14, 12, 13
Mid-term exam	35%	1.5	0.06	2, 1, 3, 6, 8, 5, 9, 7, 11, 10, 14, 12, 13

# **Bibliography**

## **Basic Bibliography:**

Heizer, I. y Render, B. (2007): Operations Management. 8<sup>a</sup> edición. Prentice-Hall.

# **Additional Bibliography:**

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- Companys, R. y Fonollosa, J.B. (1999): Nuevas técnicas de Gestión de stocks: MRP i JIT. 1ª edición. Marcombo.
- Gaither, N y Frazier, G. (2000): Administración de Producción y Operaciones. 4ª edición. Thomson Editores.
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- Verge, X. y Martínez J.L.(1992): Estratégia y Sistemas de Producción de las Empresas Japonesas. 1ª edición. Gestió 2000