

Operations Management: Olympics TV and a Fish and Chip Supper.

As in many homes all over the UK, Friday evening meal in our house is a Fish and Chip supper. As my wife was going to collect our meal, I thought I would catch up on some of the Olympics on TV, until our youngest asked me to explain what exactly was Operations Management...again! My wife's parting words was "explain it in a memorable and interesting way before I get back with our supper", our youngest nodded with agreement, so I put my Olympic catch up TV moment on hold.

Operations Management is all about getting five things right:

1. The right product and/or service,
2. to the right place,
3. at the right time,
4. in the right amount, all so it can be
5. sold at the right price and making a profit for the business.

To put it simply, it is about planning the different resources and controlling the creation of the product and/or service, for the best price for both the customer and the business.

"Dad, that's not very memorable or interesting" our youngest informed me "can I have some sweets whilst we wait for Mum to come back with our tea?" No sweets, as they will rot your teeth. Anyway, do you remember your last visit to the dentist for your new teeth? When I was your age making new teeth was a very long and labour intensive job, and it could be weeks before we got our replacements. However, like with you, the dentist uses 3D printing to make your new tooth implant and getting better results than before all in a greatly reduced time. "Dad, that is quite interesting"; which was praise indeed and I thought I was making headway until she said; "but I'm not sure what this has got to do with Operations Management?" Operations Management is all about planning and controlling what we make and what we deliver. So we do need to pay attention to the different ways of doing things and the different technologies that we could use to improve what we do and how we do it. So in the case of your new teeth, the dentist used a new technology, in this case 3D printing, and by using this improved the way he supplied a service to you. In other words, you got your new teeth faster than you would before, due to the reduction of labour intensive operations. Actually, we can see how operations management is involved in getting fish and chips for our tea tonight. At this point, our youngest said "That's not operations management! Its Mum going to the shop and bringing back our tea, isn't that the supply chain that you tell me about, helping to get it to us?"

This does strike an interesting and relevant point of confusion for those learning the subject and those practicing in the industry. What is the difference between operations management, supply chain, logistics and transportation, and where do they overlap? So, in this instance clarity is really important, the way we use words can cause confusion, and this is especially true if we consider these four areas:

1. **Supply Chain** considerations are much more than just the simple supply/procurement side. A supply chain needs to consider the whole journey from the raw material, to the final product and its use and consumption, to dealing with the waste post consumption. Simply put, from 'earth to hearth to earth.'

2. As the Chartered institute of Logistics and Transport (CILT-UK) define **Logistics** as, 'the time related positioning of resources.' perhaps more simple put, getting, making and delivering products and/or services in the right amount to the right place.
3. **Transportation** is about the actual and physical movement of goods by road, sea and air. Clarity on what transport is responsible for and what logistics is responsible for is essential. Once this is clear, we can get on with the job.
4. **Operations Management** is really concerned with the design and operation of systems for manufacture, transport, supply or service.

All of these areas are about getting the right product, to the right place, at the right time, in the right quantity, of the right quality, at the right price. This is what is important for organisations today, and it is not about whether one definition is better than another. It is about the clarity of the process, the roles and responsibilities that are crucial to carry out the core business productively and responsibly, in order to sell and deliver the products/services to the customer. In other words, what is essential is that we get on with the job in the best way possible.

My wife had not returned with our tea, so out came the sweets, and we returned to the conundrum, what had Operations Management got to do with getting our fish and chips tea tonight?