

# **GENERAL INFORMATION**

Course information					
Name	Operations Management				
Code	DOI-MBA-611				
Degree	Máster en Ingeniería Industrial (MII), Máster en Ingeniería de Telecomunicación (MIT), Máster in Business Administration (MBA)				
Year	2 <sup>nd</sup>				
Semester	1 <sup>st</sup> (Fall)				
ECTS credits	6 ECTS				
Type	Basic				
Department	Industrial Management				
Area	Manufacturing				
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#### **DETAILED INFORMATION**

## Contextualization of the course

# Contribution to the professional profile of the degree

Operations management designs, operates, and improves productive systems—systems for getting work done. Operations managers work in banks, hospitals, factories, or the government. They design systems, produce products, ensure their quality and deliver services. To perform these activities, they work with customers and suppliers. They solve problems, reengineer processes, innovate and integrate to improve quality, speed-to-market, customization or lower cost. To achieve excellence in operations is critical to a firm's success.

More specifically, the contributions of this course to the professional profile are the following:

- Gaining an appreciation of the strategic importance of operations and supply chain management in a global business environment and understanding how operations relate to other business functions.
- Being able to describe the impact of operations and supply chain management on other functions within a firm, as well as on the competitive position of the firm. Being aware of the global nature of operations and the complexity of supply chains.
- Developing a working knowledge of the concepts and methods related to designing and managing operations and to create value along the supply chain: The basic steps involved in bringing a product to market from its design through production and delivery.
- Learning a skill set for continuous improvement: The ability to conceptualize how systems are interrelated, to organize activities effectively, to analyze processes critically, to make decisions based on data, and to push for continual process improvement.

# **Prerequisites**

There are no prerequisites to attend this course. However, it is recommended to be familiar with the basic issues, capabilities, and limitations of the operations function. For instance, these concepts are learned in the course "Manufacturing and Production" of the first course of Máster en Ingeniería Industrial (MII) and Máster en Ingeniería de Telecomunicación (MIT).



# **CONTENTS**

#### **Contents**

#### **Theory**

## **Chapter 1. Introduction to Operations Management**

- 1.1 Operations Function on Global context
- 1.2 Strategy and Operations

### **Chapter 2. Quality Management**

- 2.1 Definition of Quality
- 2.2 Quality Tools
- 2.3 TQM & QMS
- 2.4 Six Sigma
- 2.5 The Cost of Quality

### **Chapter 3. Inventory Management**

- 3.1 Role of Inventory
- 3.2 Inventory financial impact
- 3.3 Inventory costs
- 3.4 Inventory Classification
- 3.5 Replenishment systems (Continuous and Periodic)

## **Chapter 4. Supply Chain Management (SCM)**

- 4.1 Supply Chain definition and processes
- 4.2 Supply Chain drivers: Facilities, Transportation, Inventory, Information, Sources and Price
- 4.3 Risk management and challenges
- 4.4 Supply Chain Integration
- 4.5 Measuring Supply Chain Performance
- 4.6 Externalization of operations

### Chapter 5. Lean Systems

- 5.1 Lean Six Sigma
- 5.2 Value Stream mapping

## **Chapter 6. Operations Planning**

- 6.1 Hierarchical nature of Planning
- 6.2 Enterprise Resource Planning (ERP)
- 6.3 Sales and Operations Planning (S&OP)
- 6.4 Material Requirements Planning (MRP)



### **Practices**

#### **Practice 1. DMAIC Analysis**

The student gets a real experience of how a proper DMAIC analysis is done in Operations. They will discover the power of DMAIC analysis focused on a quality issue.

## **Practice 2. Value Stream Mapping practice**

The students get the knowledge of a good tool for analyzing process flow and eliminating wastes. It helps a lot for designing the lean flow and the future state.

# **Practice 3. Sales & Operations Planning**

The student, by means of a role play, can understand the different perspectives and interests each function brings to the monthly S&OP process, where a consensus is needed.

## **Competences and Learning Outcomes**

### **Competences**

#### **General Competences**

- CG 4. Implementation of Concepts and Theories of Companies to find new business opportunities obtaining long-term competitive advantages
- CG 6. Ethical Commitment at the enforcement of moral values and the ones of the company applied to ethical and corporate social responsibility dilemmas.
- CG 8. Critical thinking and argumentation consistent with the understanding of knowledge and the know-how of companies, their external context and their management practices
- CG 9. Autonomy to learn how to continue the process of enhancing the cognitive skills and the relevant knowledge applied to the professional and business activity.

#### **Learning outcomes:**

- RA 1. Interconnect concepts in a multilateral and transversely way
- RA 2. Identify the right concepts for each situation.
- RA 3. Determine the scope and usefulness of theoretical knowledge.
- RA 4. Assume of ethics and values associated to the performance of the professional career.
- RA 5. Pursue excellence in professional activities.
- RA 6. Assume a responsible attitude towards people, with the used means and resources.
- RA 7. Bear in mind the consequences that their activities and behaviours may affect to everyone else.
- RA 8. Identify, set and contrast hypothesis, variables and results in logical and critical way.
- RA 9. Review the options and alternatives with a critical thinking to allow discussion and argumentation of opposite opinions.
- RA 10. Develop their assignments and tasks with initial instructions and a basic follow up
- RA 11. Search and find appropriate resources to justify their activities and reports.
- RA 12. Enlarge and deepen at the report development.



# **TEACHING METHODOLOGY**

# **General methodological aspects**

The best way of gaining a full understanding of Operations Management consists of showing and having real experiences on this topic. Consequently, all the proposed activities are focused on providing students real cases and practical experiences where implementation of operations management is essential for the improvement on company activities.

improvement on company activities.				
In-class activities	Competences			
• Lectures and problem-solving sessions (40 hours): The lecturer will introduce the fundamental concepts of each chapter, along with some practical recommendations, and will go through worked examples to support the explanation. Active participation will be encouraged by raising open questions to foster discussion and by proposing short application exercises to be solved in class.	CG4			
• Case sessions (12 hours): Under the instructor's supervision, students, will apply the concepts and techniques covered in the lectures to real cases.	CG6, CG8, CG9			
■ Practice sessions (8 hours): Under the instructor's supervision, students, divided in small groups, will apply the concepts and techniques covered in the lectures to real problems.	CG9			
Out-of-class activities	Competences			
<ul> <li>Personal study of the course material and resolution of the proposed exercises (86 hours).</li> </ul>	CG4, CG9			
Case session preparation to make the most of in-class time (28 hours).	CG6, CG8			
Practice session preparation to make the most of in-class time (6 hours).	CG9			



# **ASSESSMENT AND GRADING CRITERIA**

Assessment Grading criteria activities		Weight
Mid-term exam	<ul> <li>Understanding of the theoretical concepts.</li> <li>Application of these concepts to problem and case solving.</li> <li>Critical analysis of numerical exercises' results.</li> </ul>	15%
Final exam	<ul> <li>Understanding of the theoretical concepts.</li> <li>Application of these concepts to problem and case solving.</li> <li>Critical analysis of numerical exercises' results.</li> </ul>	
Case Resolution	<ul> <li>Class participation.</li> <li>Test Results (Pre-and post-discussion in class).</li> </ul>	
Case Construction  - Case preparation in teams - On class presentation		15%
<ul> <li>Class participation</li> <li>Test Results (Pre-and post-practice) or report</li> </ul>		15%

# **GRADING AND COURSE RULES**

### **Grading**

### Regular assessment

• Exams will account for 55%, of which:

Mid-term: 15%Final exam: 40%

• The Exam global mark is computed, weighting proportionally each exam.

• Cases and practices will account for the remaining 45%, of which:

Cases: 30%Practices: 15%

In case that the *exam global mark* is equal or lower than 3.5, the final grade will be the *exam global mark*. Otherwise, the final grade is computed weighting the different marks as the previously shown percentages. To pass the course, the final grade should be greater or equal to 5.0.

#### **Retakes**

Cases and practice marks will be preserved. The resulting grade will be computed as follows:

Final exam: 55%Cases: 30%Practices: 15%

In case that the final exam mark is equal or lower than 3.5, the final grade will be the final exam mark. Otherwise, the final grade is computed weighting the different marks as the previously shown percentages. To pass the course, the final grade should be greater or equal to 5.0.



#### **Course rules**

- Class attendance is mandatory according to Article 93 of the General Regulations (Reglamento General) of Comillas Pontifical University and Article 6 of the Academic Rules (Normas Academicas) of the ICAI School of Engineering. Not complying with this requirement may have the following consequences:
  - Students who fail to attend more than 15% of the lectures may be denied the right to take the final exam during the regular assessment period.

Students who commit an irregularity in any graded activity will receive a mark of zero in the activity and disciplinary procedure will follow (cf. Article 168 of the General Regulations (Reglamento General) of Comillas Pontifical University).

# WORK PLAN AND SCHEDULE<sup>1</sup>

In and out-of-class activities	Date/Periodicity		
Mid-term exam	Week 8		
Final exam	May (3 <sup>rd</sup> to 23 <sup>rd</sup> )		
Practice sessions	Weeks 3, 12 and 14		
Review and self-study of the concepts covered in the lectures	After each chapter		
Case construction preparation in working teams	1 week after each chapter		
Problem-solving	After each chapter that contains problems		
Practice output analysis (Test or report)	Just right after every practice		
Final exam preparation	April		

STUDENT WORK-TIME SUMMARY							
	IN-CLASS HOURS						
Lectures	Lectures Problem-solving Case sessions Practices						
30	4	20	6				
	OUT-OF-CLASS HOURS						
Self-study	Problem preparation	Case preparation and evaluation	Practice				
80	4	30	6				
	ECTS credits: 6 (180 hours)						

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<sup>&</sup>lt;sup>1</sup> A detailed work plan of the subject can be found in the course summary sheet (see following page). Nevertheless, this schedule is tentative and may vary to accommodate the rhythm of the class.



# **BIBLIOGRAPHY**

# **Basic bibliography**

- Notes and slides prepared by lecturers (available in Moodle).
- R.S. Russell y B. W. Taylor. Operations Management. Creating Value Along the Supply Chain. (7<sup>a</sup> ed.). John Wiley & Sons, Inc.. Estados Unidos (2011).

## Complementary bibliography

- F. R. Jacobs and R.B. Chase, Operations and Supply Chain Management, 13th Edition. New York, McGraw Hill, 2011
- J. Heizer y B. Render. Dirección de la Producción y de Operaciones. Tomo I: Decisiones estratégicas Tomo II: Decisiones tácticas. (11ªed.). Pearson. España (2015).
- L. J. Krajewski, L.P. Ritzman y M. K. Malhotra. Administración de operaciones. Procesos y cadena de suministro. (10ªed.). Pearson. Mexico (2013).
- J. Mangan, C. Lalwani y T. Butcher. Global Logistics and Supply Chain Management (1<sup>a</sup>ed.). John Wiley & Sons. Great Britain (2008).
- P.P. Dornier, R. Ernst, M. Fender y P. Kouvelis. Global Operations and Logistics. Text and Cases (1<sup>a</sup>ed.). John Wiley & Sons. Estados Unidos (1998).



	IN-CLASS ACTIVITIES				OUT-OF-CLASS ACTIVITIES			
Week	h/w	LECTURE & PROBLEM SOLVING	PRACTICE	ASSESMENT	h/w	SELF-STUDY	LAB PREPARATION AND REPORTING	OTHER ACTIVITIES
1	4	Course presentation Chapter 1. Introduction to Operations Management	Cooling System Case		6	Review and self-study		Team work: Case constructrion Ch 1
2	4	Chapter 1. Introduction to Operations Management. Chapter 2.Quality Management	Samsung case	Pinto Case Case Construction Chapter 1	8	Review and self-study	Practice preparation	Case preparation
3	4	Chapter 2.Quality Management	Practice 1: DMAIC- basado en APOLO	TAT Case	8	Review and self-study		Team work: Case constructrion Ch 2
4	4	Chapter 2.Quality Management. Chapter 3. Inventory Management	GATTI Case	Case Construction Chapter 2	8	Review and self-study		
5	4	Chapter 3. Inventory Management	Inventory exercises		8	Review and self-study		Case preparation
6	4	Chapter 3. Inventory Management	Canay Island Case	BMW Case	8	Review and self-study		Team work: Case constructrion Ch 3
7	4	Chapter 4. Supply Chain Management	Bruynzeel case	Case construction Chapter 3	12	Review and self-study		Mid-term exam preparation
8	4	Mid Term Exam.		Mid Term exam (2h)	8	Review and self-study		
9	4	Chapter 4. Supply Chain Management		SHOP CLUES Case	6	Review and self-study		
10	4	Chapter 4. Supply Chain Management		BARILLA Case	8	Review and self-study		
11	2	Chapter 4. Supply Chain Management. Chapter 5. Lean System-VSM			8	Review and self-study	Practice preparation	Team work: Case constructrion Ch 4 Case preparation
12	4	Chapter 5. Lean System-VSM	Practice 3: VSM	Case construction chapter 4	10	Review and self-study		Case preparation
13	4	Chapter 6. Operations Planning		EOLUM case	10	Review and self-study	Practice preparation	
14	4	Chapter 6. Operations planning. External speaker (2h)	Practice 4: Sales & Operational Planning		10	Review and self-study		