

## AS Business Studies 9707

### 4AS: Operations and project management

#### Recommended Prior Knowledge

There is no requirement for prior knowledge for this unit. However production issues may best be tackled after marketing and 1AS, 2AS and 3AS due to the dependence of production systems on the nature of the business, its workforce and market size. This unit does have brief references to costs, so part of 5AS could be completed before this unit.

#### Context

This unit provides an understanding of the role of operations management in business decisions. It is important to recognise that some of the techniques are applicable just as much to retail situations as to manufacturing. The aim is to develop ideas that are useful in organising and improving the efficiency of business processes. Operations management should not be seen in isolation – for example, making decisions on levels of sales can affect operations systems. In particular, operations decisions can have a large impact on human resources and training needs.

#### Outline

The unit covers the main areas of operations decisions including production methods, location and inventory (stock) control. Other key issues such as quality control and project management are in 4AL. Break-even analysis is now in 5AS.

**References to the endorsed textbook, A level Business Studies, 2<sup>nd</sup> edition by Peter Stimpson and Al Farquharson are in RED. Although activities have been selected from this book, these are only suggestions – there are many other useful activities that can be undertaken including others in the endorsed textbook and associated CD-ROMs and in other recommended textbooks.**

AO	Learning outcomes	Suggested Teaching activities	Learning resources
	REINFORCEMENT	Revision questions + Operational issues at KL Juice Bar (p 388)	Past examination questions have focused on definitions/explanations on Paper 1 (Section A) and Paper 2 (part (a) of a question).
4AS.2	<b>Operations planning</b>	Again, visits to businesses or visiting speakers could be useful platforms to develop ideas. Operations methods can be developed by a brief description of the process (preferably with visual material) and then drawing out advantages and disadvantages by means of discussion.	<b>Chapter 21</b>
	<ul style="list-style-type: none"><li>• Operations decisions</li><li>• Flexibility and innovation</li></ul>	Video material, if available could be very useful.	<a href="http://www.tutor2u.net/blog/index.php/business-studies/comments/video-case-study-technological-change-at-the-cinema">http://www.tutor2u.net/blog/index.php/business-studies/comments/video-case-study-technological-change-at-the-cinema</a> could be useful for discussion relating to innovation as could <a href="http://www.thetimes100.co.uk/case-study--using-innovation-to-create-competitive-advantage--85-331-1.php">http://www.thetimes100.co.uk/case-study--using-innovation-to-create-competitive-advantage--85-331-1.php</a> .
	<ul style="list-style-type: none"><li>• Operations methods<ul style="list-style-type: none"><li>○ Job</li><li>○ Batch</li><li>○ Flow</li><li>○ Mass customisation</li></ul></li></ul>	See 4AS.1 for teaching ideas for this topic. Useful activities include: <ul style="list-style-type: none"><li>• Sunburst Bakeries (p 395)</li><li>• In search of quality in quantity (p396)</li></ul>	A useful exercise might be to discuss how some of the ideas from <a href="http://practicalaction.org/practicalanswers/product_info.php?products_id=118&amp;Path=23&amp;attrib=1">http://practicalaction.org/practicalanswers/product_info.php?products_id=118&amp;Path=23&amp;attrib=1</a> could be developed into a business opportunity.
	<ul style="list-style-type: none"><li>• Location</li></ul>	A useful activity combining location with operations methods is: <ul style="list-style-type: none"><li>• Locating in Trinidad and Tobago (p 390)</li></ul> An important development that is relevant to this topic is the outsourcing	



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		<ul style="list-style-type: none"><li>• Toyota production is almost halted (p 426)</li><li>• Nissan cuts stocks to almost zero (p 427)</li></ul>	<p><a href="http://www.bized.co.uk/educators/16-19/business/production/activity/methods.htm">http://www.bized.co.uk/educators/16-19/business/production/activity/methods.htm</a> can be used to tie together the various aspects of production. While this does venture into A level material, it does fit quite comfortably.</p> <p>There is some useful discussion on: <a href="http://forums.teneric.co.uk/general-discussion/why-stock-control-important-small-businesses-660.html">http://forums.teneric.co.uk/general-discussion/why-stock-control-important-small-businesses-660.html</a></p> <p>Examination questions:</p> <ul style="list-style-type: none"><li>• May 2007 Paper 2 Q 1(d)</li><li>• Nov 2007 Paper 1 Q 7</li></ul>
	REINFORCEMENT	Revision activities + MFLEX to expand operations in Malaysia (p 428)	