**SURVEY OF BUSINESS – FILL-IN-THE BLANK: SESSION 4**

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**Chapter Eight: Managing Service and Manufacturing Operations**

All organizations create products – goods, services, or ideas for customers. Thus, organizations share a number of similarities relating to how they \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resources into the products we consume.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Management (OM), the development and administration of the activities involved in transforming resources into goods and services, is of critical importance.

Operations \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ oversee the transformation process and the planning and designing of operations systems, managing logistics, quality, and productivity.

Historically, operations management has been called “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” or “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” primarily because of the view that it was limited to the manufacture of physical goods.

The change from “production” to “operations” recognizes the increasing importance of organizations that offer ideas. Additionally, the term operations represents an interest in viewing the operations functions as a whole rather than simply an analysis of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

OM includes a wide range of organizational activities and situations outside of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, such as health care, food service, banking, entertainment, education, transportation, and charity.

The heart of operations management is the transformation process through which “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” (resources such as labor, money, materials, and energy) are converted into “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” (goods, services, and ideas).

Different types of transformation processes take place in organizations that provide \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

There is a significant \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_-\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ component to most services.

Businesses that manufacture tangible goods and those that provide services or ideas are similar yet different. They differ in several respects: (1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (3) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (4) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (5) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Manufacturers and service providers differ in the nature and consumption of their \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Manufacturers typically have more control over the amount of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of the resources they use than do service providers.

Because of the human element inherent in providing services, each service tends to be performed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Service providers are generally more labor-intensive (require more labor) because of the high level of customer contact, perishability of the output (must be consumed immediately), and high degree of variation of inputs and outputs (\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_).

For manufacturers, measuring productivity is fairly straightforward because of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of the output and its high degree of uniformity.

For the service provider variations in demand, variations in service requirements from job to job, and the intangibility of the product make productivity \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ more difficult.

We consider “\_\_\_\_\_\_\_\_\_\_\_\_\_\_” to include both tangible physical goods and intangible service offerings.

Before a company can produce any product, it must first decide what it will produce and for what group of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

It must then determine the processes it will use to make these products as well as the facilities it needs to produce them. These decisions comprise \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Before making any product, a company must 1st determine what consumers want and then design a product to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ that want.

Most companies use social media and marketing \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to determine the kinds of goods and services to provide and the features they must possess.

Once management has researched and developed an idea for a product that customers will buy, it must then \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ how to efficiently produce the product.

Before a firm can begin production, it must first determine the appropriate method of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ resources into the desired product.

Often, consumers’ specific \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ dictate a process.

Products are designed to be manufactured by 1 of 3 processes: (1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (3) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is making identical, interchangeable components or even complete products.

Modular Design involves building an item in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_-\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ units, or modules, that can be combined or interchanged to create different products.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is making products to meet a particular customer’s needs or wants.

Planning the operational processes for the organization involves two important areas:

(1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Efficiently planning the organization’s \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ needs is an important process for the operations manager.

Once a company knows what process it will use to create its products, it then can design and build an appropriate \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in which to make them.

Where to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ a firm’s facilities is a significant question because, once the decision has been made and implemented, the firm must live with it due to the high costs involved.

Arranging the physical layout of a facility is a complex, highly technical task. Although many companies use a combination of layout designs, there are three basic layouts: (1) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (2) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (3) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Manufacturing and operations systems are moving quickly to establish environmental \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and minimize negative impact on the natural environment.

Sustainability issues are becoming increasingly important to stakeholders and consumers, as they pertain to the future \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of the planet.

Green operations and manufacturing can improve a firm’s reputation along with customer and employee loyalty, leading to improved \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

A major focus of operations is Supply Chain Management, which refers to connecting and integrating all parties or members of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ system in order to satisfy customers.

Also called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, supply chain management includes all activities involved in obtaining and managing raw materials and component parts, managing finished products, packaging, and getting them to customers.

Some aspects of logistics (warehousing, packaging, and distributing) are closely linked with \_\_\_\_\_\_\_\_\_\_.

Purchasing, also known as \_\_\_\_\_\_\_\_\_\_\_\_\_, is the buying of all the materials needed by the organization.

Not all companies purchase all of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ needed to create their products.

Often times, they can make some components more economically and efficiently than an outside supplier. On the other hand, firms sometimes find that it is uneconomical to make or purchase an item, and instead arrange to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ it from another organization.

Once the items needed to create a product have been procured, some provision has to be made for \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ them until they are needed.

Every raw material, component, completed or partially completed product, and piece of equipment a firm uses – its Inventory – must be accounted for, or \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the process of determining how many supplies and goods are needed and keeping track of quantities on hand, where each item is, and who is responsible for it.

Operations management must be closely \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with inventory control.

To \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ the of items maintained in inventory, managers need to determine how much of each item they must order.

Another popular technique is Just-in-Time Inventory Mgmt., which eliminates waste by using smaller quantities of materials that arrive “just in time” for use in the transformation process and, therefore, require less storage space and other inventory management \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Another inventory management technique is Material Requirements Planning (MRP), a planning system that schedules the precise \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of materials needed to make the product.

Increasingly, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has become a component of supply chain management in operations.

Outsourcing refers to the contracting of manufacturing or other tasks to independent companies, overseas.

Often times, though, companies outsourcing face heavy regulations, high transportation costs, inadequate facilities, and unpredictable \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ execution.

Outsourcing allows companies to free up time and resources to focus on what they do best and to create better opportunities to focus on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

After all materials are procured and their use determined, managers must then consider the \_\_\_\_\_\_\_\_\_\_\_, or sequence of operations through which the product must pass.

Once management knows the routing, the actual work can be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Scheduling \_\_\_\_\_\_\_\_\_ the work to be done to departments or even specific machines, workers, or teams.

The path that requires the longest time from start to finish is called the \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_ because it determines the minimum amount of time in which the process can be completed.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, like cost and efficiency, is a critical element of operations management, as defective products can quickly ruin a firm.

Quality reflects the degree to which a good or service meets the \_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_ of customers.

Quality is so important that we need to examine it in the context of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ management.

Quality Control refers to the processes an organization uses to maintain its established quality \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

To regain a competitive edge, a number of firms have adopted a total quality management \_\_\_\_\_\_\_\_\_\_\_\_.

Total Quality Management (TQM) is a philosophy that uniform commitment to quality in all areas of the organization will promote a culture that meets customers’ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of quality.

It involves coordinating efforts to improve customer satisfaction, increasing EE participation, forming and strengthening supplier partnerships, and facilitating an organizational culture of continuous quality \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Continuous improvement of an organization’s goods and services is built around the notion that quality is free; by contrast, not having high-quality goods and services can be very expensive, especially in terms of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

A primary tool of the continuous improvement process is \_\_\_\_\_\_\_\_\_\_\_\_\_\_, the measuring and evaluating of the quality of the organization’s goods, services, or processes as compared with quality produced by the best performing companies in the industry.

Inspections reveal whether a product meets \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Managing operations and supply chains can be complex and challenging due to the number of independent organizations that must perform their responsibilities in creating product \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.