Index

5S (Sorting, Straighten, Sweeping, Standardizing, Sustaining) 180, 202

acceptance sampling 170
aggregate planning 28–9, 83
agile manufacturing 114–15
appraisal costs 189
audit, quality control procedures 159–62
autonomous group working 41–2
batch systems 34
behaviourists, influence of 18
bill of material (BOM) 94
business process design 11, 26
— aggregate planning 28–9
— autonomous group working 41–2
— capacity management 26–8
— classifying operations systems 31–2
— differences between service and manufacturing 42–3
— facilities layout 36–8
— features of conventional systems 33–5
— group technology (GT) 39–41
— location choices 30–1
— process mapping 44
— reconciling capacity and demand 29–30
— system design process 38–9
business process re-engineering (BPR) 44, 192–3
Cambridge/DTI group methodology 141–4
capacity management 26–8, 45–6, 82–3
cell layout 38
‘cellular manufacturing’ 39–41
computer technology 19–20
‘concurrent engineering’ 57
constraints, managing 5–6
continuous improvement
— example of 200–1
— Kaizen 179–80, 183–4, 201
— value analysis (VA) 58–61, 185
control of quality 159
— see also quality management
control theory 81–2
cost, key performance indicator 5
costs of quality 187–91
costs, stock control parameters 89
‘cottage system’ 15, 17
critical path method (CPM) 124
Crosby, Philip 179, 187, 189–90
customers 173
— complaint example 173
— lean operations 114
— relationship with suppliers 163–4
Dale, B. G. 197
decision making levels 11
demand 88
Deming, W. Edwards 177, 180–1
dependability, key performance indicator 4
design
— of business processes 11, 25–49
— of products and services 12
— technology transfer 12
Distribution Requirements Planning (DRP) 97
distribution strategy example 150–1
division of labour 16
DTI/Cambridge group methodology 141–4
e-business trends 112
economic order quantity (EOQ) 89–90
Enterprise Resources Planning (ERP) 97
European Foundation for Quality Management (EFQM) 197
evaluation stage, value analysis 60
external failure costs 189
facilities layout 36–8
factory management 16
failure costs 189–90
familiarization stage, value analysis 59
Feigenbaum, Armand 178
fixed position layout 37
flexibility, key performance indicator 5
‘Flexible Firm’ model 19
flexible labour 18–19
‘Flexible Specialization’ 19
flow systems 35, 46
Fordism 17–18
forecasting demand 83
‘four V’s’ 6–9
Gantt charts, project scheduling 123–4
group technology (GT) 39–41
Hammer, M. 192
Hawthorne Studies 18
Hayes and Wheelwright’s framework 137–9
Hill’s framework 139–41, 148–9
historical perspective 14–21
horizontal technology transfer 68–9
Imai, Mzaki 179–80
implementation stage, value analysis 60–1
improvement of operations 13, 176
— examples 199–202
— programmes for quality improvements 181–96
— quality award schemes 196–8
— writers on quality management 177–81
Industrial Revolution 15–16
innovation, product & service design 52–61
input-output control models 81–2
inspection, quality 158–9
interchangeability concept 16
internal failure costs 189
international quality standards 160–1
inventory control see stock control
inventory status files 94
Ishikawa, Kaoru 178
ISO 9000 Quality System Series 159–62
Japanization 113
job design example 48–9
job systems 33–4
Johnson’s algorithm, scheduling 86
Juran, Joseph 177–8, 193
just-in-time (JIT) concept 106–7
— implementing JIT 109–10
— internal JIT systems 107–8
— and quality management 109
— supply management 108, 114, 116
Kaizen 183–4, 201
kanban card systems, JIT 107–8
key performance indicators (KPIs) 4–5,
145–6
layout of operation systems 36–8
layout design examples 46–7
lean operations 12, 20, 104
— ‘agile manufacturing’ concept 114–15
— continuous improvement and quality 109
— core concepts 113–14
— implementing JIT 109–10
— internal JIT systems 107–8
— JIT supply 108, 116
— just-in-time (JIT) concept 106–7
— lean principles 104–5
— outsourcing example 116–17
— ‘push’ versus ‘pull’ logistics 105–6
— supply chain management 111–12
legislation, product liability 61
life cycle for products 10, 53, 144
location choices 30–1
Machine That Changed the World, The
(Womack, Jones and Roos) 104
management of projects see project management
manufacturing
— agile manufacturing 114–15
— business process design 42–3
— ‘cellular manufacturing’ 39–41
— Hill’s framework 139–41, 148–9

214
manufacturing resources planning (MRPII) 97
master production schedule (MPS) 94
materials requirements planning (MRP) 93–5
— operation of MRP system 95
— in practice 95–7
MIT research project, Lean operations 113
mixed layouts 38
network planning 124–5
new product design 52–8
normal distribution 166–7
Operational Research (OR) School 19
operations, design for 57–8
operations management 208–10
— essential components of 2–4, 208
— evolution of 14–21
— organizational scope of 9–14
— role of strategy in 136–9
operations managers, competencies needed 4, 14
operations systems design
— contemporary
— autonomous working 41–2
— group technology 39–41
— conventional
— batch systems 34
— flow systems 35
— job systems 33–4
— project and continuous 35–6
operations systems performance, basic principles of 4–9
optimized production technology (OPT) 87
order qualifiers and winners 137
order-winning criteria, Hill’s framework 139–41
organizational issues in project management 127
outsourcing 111, 112, 116–17
Pareto analysis 88
performance indicators/objectives 4–5, 145–6
performance triangle 127
PERT (program evaluation and review technique) 125–6
planning and control 12–13, 80
— capacity management 82–3
— control theory 81–2
— inventory management 87–97
— scheduling 84–7, 98–9
prevention costs 188
process design see business process design
process layout 37
process mapping 44
process redesign 44, 64, 192
product and service design 12, 52
— concurrent/simultaneous design 57
— design for operations 57–8
— managing the design process 54–6
— new products 52–4
— product liability 61
— product redesign and value analysis 58–61
product layout 37
product liability 61
product life cycle 10, 53, 144
production management approach 17–18
production scheduling 84–6
— Johnson’s Algorithm 86
— optimized production technology (OPT) 87
program evaluation and review technique (PERT) 125–6
project management 12–13, 122
— organizational issues 127
— project control 126–7
— project planning 122–3, 128–30
— project scheduling 123–6
— responsibilities of project manager 128
project managers 127
— responsibilities of 128
purchasing and inventory management 87–8
— service levels 89–92
— stock control parameters 88–9
‘push’ versus ‘pull’ logistics 105–6
quality award schemes 196–8
quality circles 182–3, 199–200
quality function deployment (QFD) 55–6, 184–5
quality improvement programmes 181
— business process re-engineering (BPR) 192–3
— costs of quality 187–91
— criticisms of programmes 195–6
— Kaizen 183–4
— quality circles 182–3
— quality function deployment (QFD) 184–5
— quality improvement teams 184
— Six Sigma 193–5
quality improvement programmes

— total quality management (TQM) 185–7
— value analysis 185
— zero defects (ZD) 181–2

quality improvement teams 184

quality management 13, 156
— acceptance sampling 170
— audit level 159–62
— control level 159
— customer complaint example 173
— definitions of quality 156–8
— failure recovery example 171–2
— inspection level 158–9
— and JIT concepts 109
— measuring quality 164
— and operations strategy 144–5, 147
— quality as a KPI 4, 145–6
— responsibility for 162–3
— statistical process control (SPC) 165–70
— and supplier/customer relationship 163–4
— writers on 177–81

range charts 167, 168–9

recommendation stage, value analysis 60

redesign of products and services 58–9

reorder cycle policy (RCP) 91–2
— advantages & disadvantages 92–3

reorder level policy (ROL) 90–1
— advantages & disadvantages 92–3

resource management 12

scheduling
— production 84–7
— project 123–6

scientific management approach 17

service design see product and service design

service levels 89–92

service package 43
‘simultaneous engineering’ 57
Six Sigma 169–70, 193–5

sociotechnology 18–19

speculation stage, value analysis 59–60

speed, key performance indicator 4

standards, quality 159–61

statistical process control (SPC) 165–70

stock control 87–8
— examples 98–100

— MRP systems 93–7
— parameters 88–9
— ROC versus ROL 92–3
— service levels 89–92

strategic operations management 21, 134
— achieving a strategic edge 144–7
— definition of strategy 134–5
— DTI/Cambridge group methodology 141–4
— examples 148–51
— Hayes & Wheelwright’s framework 137–9
— Hill’s framework 139–41
— role of strategy 135–6

supplier/customer relationship 163–4

supply chain management 111–12

supply management, lean concepts 108, 114, 116

Taguchi, Geniichi 179

technology transfer 12, 68
— components of 69
— context of 69–70
— dimensions of 71–2
— elements in process of 72–3
— example 75–6
— mechanisms of 73–5
— theories of 70–1
— vertical and horizontal 68–9

total quality management (TQM) 185–7

Toyota ‘kanban’ system 107–8
‘trade-off’ decisions 5

transfer of technology see technology transfer

transportation 112

value analysis (VA) 58–61, 185

value chain 111–12

value engineering (VE) 61
‘value stream mapping’ 44

variation 6–9
variety 6–9

vertical transfer of technology 68

visibility 6–9
volume 6–9

Wheelwright and Haye’s framework, strategic management 137–9

writers on quality management 177–81

X-Bar charts 167–8

zero defects (ZD) 181–2