

TOPIC: OPERATION MANAGEMENT
SUBJECT: PHARMACEUTICAL
MANAGEMENT

NAME OF TEACHER : ZERAH SONU

ACADEMIC YEAR: 2018 BATCH

OPERATIONS MANAGEMENT

“Operations management may be defined as a **systematic approach** to address **all the issues** pertaining to the **transformation process** that converts some inputs into output that are useful and could **fetch revenue** to the organizations.”

It attempts to balance cost with revenue to achieve highest operating profits possible. What operation management department do is, that they design a methods by which inputs is converted into output that is most beneficial to the organization



- ❑ **A systematic approach** involves understanding the nature of issues and problems to be studied , collecting relevant data, and developing effective as well as efficient solutions to the problem

The second aspect of OM pertains to **addressing several issues** that an organisation faces. These issues vary markedly in terms of :

- ❖ time frame
- ❖ nature of problem
- ❖ commitment of required resources

For eg: deciding how to re-route jobs when a machine breaks down on a shop floor .

- ❑ **Transformation processes** are central to operations systems. The transformation process ensures that inputs are converted into useful output. For eg: converting sugarcane to sugar crystals.
- ❑ Finally the goal of the organization is to reduce costs and **increase revenues**. In order to ensure this an appropriate performance evaluation system is required .



Operations as key functional area



For example, Organizations typically begin their yearly plan with the **marketing** function making an estimate of the next year's sales. This input forms the basis for production planning in the operations area of business. Depending on the production plans, procurement planning is done and all these factors lead to a certain estimate of the fund requirements. This forms an important input for the **finance** function. At the time these plans are executed, the interactions between these functions are even greater. The **HRM** function influences the productivity capacity of labour available in real time. The actual production of goods and services influences the marketing activities to be undertaken and the quantity and timing of available funds from sales. Such interactions are common in most organizations.

Services as a part of Operational Management

The service sector encompasses a wide spectrum of activities in every country. The growth of the service sector in India in the last five years has been very significant.


Although services are often classified separately from manufacturing in a macroeconomic sense, from the perspective of OM, the separation is artificial. From the OM perspective the notion of a pure product and pure service is just two ends of the spectrum. In reality a vast majority of operations share a continuum of services and products. Therefore most of the principles and tools and techniques of OM apply to both these sectors.

Difference between services and manufacturing

- Intangibility
- Heterogeneity
- Simultaneous production and consumption
- Perishability



Responsibilities Of OM

- Provide overall Management of the ongoing Production operations including Inventory Control, Scheduling, Documentation, Equipment Maintenance, Calibration, Shipping, and Quality Control/Inspection.
 - Assist in creation of efficient processes through hands-on development and training.
 - Track quality of all processes through analysis of recorded data and formation of additional test-points.
 - To ensure that the people involved in production and public are protected.
 - To ensure safe working conditions and encourage application of proper working methods.
- 

- Provide workers with the necessary individual protective equipment free of cost.
- Comply with the Act respecting occupational health and safety, as well as the other laws and regulations relating to health and safety.
- Ensure that existing and potential hazards reported by the members of the production crew are eliminated.
- Ensure proper disposal of chemicals and waste materials released during the production process.
- Recycling of all materials possible.



FUNCTIONS OF PRODUCTION AND OPERATION MANAGEMENT

- Production operation management is a component of organization which concerned with the creation of utility in raw material through conversion process:
- As a part of management it has following functions:
 - Planning
 - Organizing
 - Controlling
 - Behavior
 - Models



THANK YOU