

**Graduate School of Business Administration  
National University of Singapore**

**Operations Strategy**

**Instructor**

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**Course Description**

Operations strategy was established primarily by a group of Harvard Business School professors. From the 1960s through the 1970s, Wickham Skinner investigated how business strategy could transform manufacturing to a source of competitive advantage. In the late 1970s, Robert Hayes and Steven Wheelwright examined how a manufacturing company should adapt to a changing environment to sustain its competitive advantage, using two key dimensions of operations (*i.e.*, products and processes). Operations strategy is not based on Michael Porter's frameworks, but it shares some fundamental notions with Porter's "Competitive Advantage."

In this course, you will study how efficient operations can be a competitive weapon in service industries as well as manufacturing sectors. The topics include products and processes, capacity management, supply network, environmental sustainability, process technology, *etc.* Thus, the course is not only for an operations manager but also for a general manager who needs to revamp a company's operations to establish competitive advantage. As a course methodology, I will give lectures and conduct interactive discussions. Quantitative skills are not required for this course.

**Course Materials**Textbook:

**(OS)** "Operations Strategy (2nd Edition)," by Nigel Slack and Michael Lewis (Financial Times/Prentice Hall, 2008).

Case and Article:

- 1) Shouldice Hospital Limited (Harvard Business School Case: 9-683-068).
- 2) "Blue Ocean Strategy," by W. Chan Kim and Renée Mauborgne (Harvard Business Review, October 2004).

Reference Books:

These two books are for reference only, and not required for the course. The first book is another popular textbook which is often used for operations strategy courses. The second book is written by professors of Harvard Business School, where the basic theory of operations strategy was formulated. These reference books complement the contents of the textbook.

- 1) "Operations Management (2nd Edition)", by Terry Hill (Palgrave Macmillan, 2005).
- 2) "Operations, Strategy, and Technology: Pursuing the Competitive Edge", by Robert Hayes, Gary Pisano, David Upton, and Steven Wheelwright (John Wiley & Sons, 2005).

Lecture Notes:

Lecture notes will be distributed at the beginning of each lecture or in advance

## **Grading Scheme**

The course grade will be based on a weighted evaluation as follows:

Cass Participation	10 %
Quiz	40 %
Group Project	50 %
Total	100 %

## **Class Participation**

You are expected to attend all the classes and contribute to class discussions. Although I will not practice cold calling, you should be well prepared for class participation. Otherwise, you will not have fun in this course.

## **Quiz**

You will have **four quizzes in total from Session 2 to Session 5**. They will take place after the break in each session. The quiz covers what we learned in the previous lecture, and the duration of each quiz will be 15 minutes. **The quiz is open-book/notes**. However, the following items are not allowed during the quiz: A notebook PC, a mobile phone, or any other electronic/communication device. Sharing/discussing answers during the quiz are strictly prohibited. Sharing your belongings (e.g., notes or books) during the quiz is also prohibited because it is possible to share the answers as well.

## **Group Project**

You are to form your own group which consists of 5 or 6 students. Please inform me of your group composition by **Session 2**. The group project consists of (1) a group presentation and (2) a group write-up for case analysis. You can choose a case to be analyzed among the following three cases: (a) “CrimsonLogic: The ‘E’volution of the Trading Community via a B2B E-Commerce Hub”; (b) “Mitsubishi Motors Corporation: Product Recalls and Corporate Social Responsibility”; and (c) “Fuji Xerox Eco-Manufacturing: International Resource Recycling System.” The questions which you are required to analyze are provided on the last page of each case. Each group is required to prepare (1) MS-Powerpoint slides for your group presentation and (2) a group write-up of the analysis consisting of 10 or less pages in a free format (e.g., font size, line space, etc.). The presentation slides as well as the write-up must be handed in by email (to [shimada@b.kobe-u.ac.jp](mailto:shimada@b.kobe-u.ac.jp)) **by the beginning of Session 5**. The group presentation is scheduled for **Session 6**. You have 20 minutes for your presentation, followed by a 5-minute Q&A session. Only a few persons or all the members in your group will present the case analysis. It is up to your group to decide how the tasks are divided among the group members. The presentation including the slides and the write-up will be graded on a group basis.

**Class Schedule:****Session 1: (July 14, Tuesday: 18:00-21:30)****Topic: Basic Concepts of Operations Strategy**

- *Course Overview*
- *Operations Resources and Market Requirements*
- *Performance Measurement in Operations*
- *Trade-offs*
- *Product-Process Matrix*

Readings: (OS) Chapter 1, 2, and 5

Case: Shouldice Hospital Limited

**Session 2: (July 16, Thursday: 18:00-21:30)****Topic: Capacity Management and Supply Chain Network**

- *Capacity Configuration*
- *Capacity Strategy*
- *Capacity Dynamics*
- *Basic of Supply Chain Management*
- *(Supply) Push vs. (Demand) Pull*

Readings: (OS) Chapter 3 and 4

**Session 3: (July 21, Tuesday: 18:00-21:30)****Topic: Buyer-Supplier Relationships**

- *Buyer-Supplier Relationships*
- *Buy/Make Decision*
- *Bullwhip Effect*
- *Supply Chain Collaboration*
- *Vendor Managed Inventory*

Readings: (OS) Chapter 4

**Session 4: (July 23, Thursday: 18:00-21:30)****Topic: Other Issues in Operations Strategy**

- *Enterprise Resource Planning*
- *Business-to-Business e-Commerce*
- *80:20 Rule and the Long Tail*
- *Recycling and Reuse*
- *Total Quality Management*

Readings: (OS) Chapter 9

**Session 5: (July 28, Tuesday: 18:00-21:30)****Topic: Process Improvement and Different Views on Operations Strategy**

- *Process Improvement*
- *Learning*
- *Disruptive Innovation*
- *Structuralist and Resource-Based View*
- *Blue Ocean Strategy*

Readings: (OS) Chapter 6 and 8

“Blue Ocean Strategy” by W. Chan Kim and Renée Mauborgne

**Session 6: (July 30, Thursday: 18:00-21:30)****Topic: Group Presentation**

- *Group Presentation of Case Analysis*