

A LEVEL

Delivery Guide

H431

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BUSINESS

Theme: Production 2

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Introduction

Delivery guides are designed to represent a body of knowledge about teaching a particular topic and contain:

- Content: a clear outline of the content covered by the delivery guide;
- Thinking Conceptually: expert guidance on the key concepts involved, common difficulties students may have, approaches to teaching that can help students understand these concepts and how this topic links conceptually to other areas of the subject;
- Thinking Contextually: a range of suggested teaching activities using a variety of themes so that different activities can be selected that best suit particular classes, learning styles or teaching approaches.

If you have any feedback on this Delivery Guide or suggestions for other resources you would like OCR to develop, please email resources.feedback@ocr.org.uk.

KEY



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AS Level
only

AS Level content only

Curriculum Content Operations management objectives and innovation

Operations management objectives

- explain operations management objectives
- explain how and why operations management objectives are used by a business
- explain the need for a business to have clear operations management objectives
- evaluate the usefulness of operations management objectives to a business and its stakeholders
- evaluate the importance of operations management objectives in the achievement of a business's objectives
- recommend and justify operations management objectives for a business.

Innovation, research and development

- explain what is meant by innovation, research and development
- explain the reasons for innovation, research and development within a business and an industry
- explain what is meant by product innovation and process innovation
- explain the process/cycle of innovation, research and development
- evaluate the advantages and disadvantages of innovation, research and development to a business
- evaluate the importance of innovation, research and development to a business, to the consumer, other stakeholders and the economy.



Thinking Conceptually

Approaches to teaching the content

It is important that students are able to identify how operations management objectives are linked to how an organisation can progress in all aspects of its business. Having clear objectives will enable the business to identify when objectives are achieved which can then be acknowledged. Using a variety of different and current case studies to illustrate the different aspects of this work will enable students to apply these skills within their learning.

Innovation, research and development will require a similar approach. Students should be encouraged to independently research and view different websites in order to gain more knowledge regarding innovation and R&D.

It is important for students to see the value of innovation and R&D to business and also its stakeholders and how the economy can also benefit. Students should be able to understand why governments are encouraging businesses to adopt new methods, by offering help and support with these developments and how this can ultimately help the economy.

Common misconceptions or difficulties students may have

It is important that students should understand that operations management objectives can appear simple on the surface, but in practice they can be very difficult to achieve. The business Ryanair is famous for its cost saving methods,

but with charges for different aspects of the services that it offers, Ryanair has suffered from substantial negative press over the years, yet continues to operate successfully in a very competitive market. Students should be able to form judgements on decisions that businesses have made in order to analyse and form an opinion.

Students may consider that a business that invents and uses a new process or technology will be ensured success against others who do not invent the idea. This is a common misconception. The company Apple did not invent the first 'tablet' or 'smartphone' as such. It took it to a different level in its approach and to a different audience, resulting in its success.

Conceptual links to other areas of the specification – useful ways to approach this topic to set students up for topics later in the course

Operations management objectives can be initially linked to aims and objectives in a business but once students have a greater understanding of the topic area, they should understand the main differences.

Innovation, research and development can be linked to departments when investigating the areas within a business. Students will learn how these specific departments can influence other areas of the business if both time and resources are invested within the areas.



Thinking Contextually

For students to fully understand the links between operations management objectives, stakeholders and the economy, the more reports, case studies and research completed on business and their operations management objectives they study, the better.

The BBC web programme 'Click' has many interesting reports on the latest technology news, issues, gadgets and apps which will be a good insight into the ever-changing technology and businesses. Students should be encouraged to view this and there are many different clips and programmes to view. As a class, group discussions could take place on a particular programme that students have viewed. Students could answer essay questions based on a report from the website.


<http://www.bbc.co.uk/programmes/n13xtmd5>



Activities: Operations management objectives	Resources
<p>1. Key terms</p> <p>According to businessdictionary.com, operations management objectives can be defined as "The design, execution, and control of operations that convert resources into desired goods and services, and implement a company's business strategy."</p> <p>http://www.businessdictionary.com/definition/operations-management.html#ixzz3TsXoWBuU</p> <p>In pairs students could evaluate this quotation and identify how two contrasting businesses would use this explanation in the successful operations of their businesses, giving examples of the stages of the operations. After discussing this, their findings could be reported back to the rest of the class in order to form a group discussion on this topic.</p>	A rectangular button with a rounded border, containing a small orange triangle pointing right and the text "Click here".
<p>2. Examples of objectives</p> <p>Operations management objectives are important to a business for many different reasons. All businesses differ in their approach; for example, some would argue that staff development and wellbeing is important, while other businesses want to create value for money for customers. Students could be given a variety of different examples of operations management objectives. Using these examples, students could identify, using the Internet, a variety of different businesses who have used one or more of the objectives (in their opinion), in order to create a successful business. Students should justify why they consider the business to have used such objectives, with examples to illustrate the points being made, as well as explain why such objectives benefit the organisation.</p> <p>Examples of operations management objectives:</p> <ul style="list-style-type: none">• Create quality DIY furniture which provides quality and value for money• Lower customers' costs; deliver zero defected products on time to ensure repeat business• Create a culture of rapid launch products using new effective production techniques, whilst ensuring effective marketing.	



Thinking Contextually

Activities: Operations management objectives	Resources
<p>3. Objectives of airlines</p> <p>In many jobs within certain industries, travel is a known part of the work. Travelling to Europe for a meeting is not unusual, so the travel industry has had to adapt to this new culture. A weekend city break for leisure is also 'quite the norm' for people. There are far more airlines these days, with many offering flights to various short-haul destinations. A group discussion could take place which would give students the opportunity to discuss whether they have been on a short-haul flight with family or whether relatives work abroad on a regular basis. This will give students more of an understanding of this concept. Following on from this students could investigate, either in groups or individually, how certain airlines have capitalised on this growing area of travel for consumers, focusing on some of the following operations management objectives:</p> <ul style="list-style-type: none"> • Lower fares • Customer service • Frequent flights on short-haul routes • Lower operating costs • Safety and quality maintenance. 	
<p>4. Ryanair case study</p> <p>Ryanair has received both positive and negative press over many years with regard to its operations management objectives. Students could watch the following BBC Panorama investigation into Ryanair which was broadcast in 2013 and gives an insight into the business:</p> <p>https://www.youtube.com/watch?v=iscl1o83c9k</p> <p>Individually students could research this and create a newspaper article which identifies the positive and negative aspects of the business, and the impact that these have had on the business and its stakeholders in terms of operations management objectives. Do students think that Ryanair has achieved its objectives? Students could also compare Ryanair to other similar competitors such as EasyJet.</p>	
<p>5. Local business operational objectives</p> <p>Students could write a formal report based on the following scenario:</p> <p>You are an advisor to local businesses specialising in offering advice and recommendations to move specific businesses forward, focusing on their operations management objectives. Select a local business on which to base this activity, ensuring that you have access to relevant information, in order to complete a comprehensive report.</p>	



Thinking Contextually

Activities: Innovation, research and development	Resources
<p>6. Introduction to innovation</p> <p>The following website gives students a good introduction to the subject of innovation, research and development for business. It includes a media clip, enabling students to understand how this area can help businesses remain competitive in an ever-changing business world.</p> <p>Northern Ireland business information page/media clip to encourage innovation, research and development: https://www.nibusinessinfo.co.uk/content/innovation-research-and-development-grants</p> <p>Welsh business information page to encourage innovation, research and development: http://www.business.wales.gov.uk/growing-business/welsh-government-support-1/support-innovation-0</p> <p>Students could view these websites and then compose a response to the following question: 'Why are governments encouraging innovation, research and development within business?' How does this benefit the business consumer, the economy and stakeholders?</p>	<div data-bbox="1738 563 1890 655">▶ Click here</div> <div data-bbox="1738 684 1890 777">▶ Click here</div>
<p>7. Innovation case studies</p> <p>Students could view the following case studies which highlight how certain businesses use innovation, research and development.</p> <p>How Intel uses innovation, research and development: http://businesscasestudies.co.uk/intel/using-innovation-to-create-competitive-advantage/introduction.html#axzz3TsnbSm4g</p> <p>How ARM uses innovation, research and development: http://businesscasestudies.co.uk/arm/how-innovation-drives-research-and-development/introduction.html#axzz3TsnbSm4g</p> <p>How Jaguar Land Rover uses innovation, research and development: http://www.jaguarlandrover.com/gl/en/innovation/research-and-development/</p> <p>A group discussion could take place which highlights the main points learnt from the case studies.</p>	<div data-bbox="1738 884 1890 976">▶ Click here</div> <div data-bbox="1738 1005 1890 1098">▶ Click here</div> <div data-bbox="1738 1126 1890 1219">▶ Click here</div>



Thinking Contextually

Activities: Innovation, research and development	Resources
<p>8. New technology report</p> <p>The following video clip is based upon a BBC report into how new technology is helping 'India's farmers look to tech to beat climate change'. After viewing the clip, students should write a report which investigates how this philosophy could be used within other areas of business where climate is key to success.</p> <p>http://www.bbc.co.uk/news/business-29252677</p>	<p>▶ Click here</p>
<p>9. Product innovation</p> <p>Students should produce a presentation which informs the audience about either product innovation or process innovation. Students should investigate the process and cycle of innovation, research and development and relate this to a well-known business organisation.</p>	
<p>10. News report</p> <p>Students should read the following BBC news report which investigates an innovative new bank which can only be accessed online:</p> <p>http://www.bbc.co.uk/news/business-31735979</p> <p>What do students think about this article? What are their views? Is this something they would consider if they were to open a bank account? Are high street banks still needed? What are the advantages and disadvantages of this new bank? A group discussion could take place considering all students' views.</p>	<p>▶ Click here</p>
<p>11. Mining gold</p> <p>Students should view the following media clip which highlights how mining for gold has changed over the years:</p> <p>https://www.youtube.com/watch?v=2ERb87Zphhc</p> <p>After viewing the clip, students should form pairs, choose an industry and then investigate their own selected industry in order to discover how innovation, research and development have changed the way in which a business within that industry now operates. Students could then produce a presentation in order to present their findings to the rest of the group stating the advantages of this process for both the businesses and the stakeholders involved.</p>	<p>▶ Click here</p>



Curriculum Content Project management

Project management

- explain what is meant by project management
- explain the reasons for using project management within a business
- explain how and why quantitative methods of project management are used by a business: including Gantt charts, critical path analysis (CPA), program evaluation and review technique (PERT)
- explain the nature and purpose of Gantt charts and network analysis diagrams
- complete and interpret Gantt charts: including duration and overlap
- calculate and interpret earliest start times (EST), latest finish times (LFT), total float and free float and identify the critical path using CPA
- calculate and interpret optimistic time (O), pessimistic time (P), most likely time (M), expected time, total float and free float and identify the critical path using PERT
- evaluate the usefulness of quantitative methods of project management to a business and its stakeholders
- evaluate the impact and importance of quantitative methods of project management to a business and its stakeholders
- explain the qualitative factors which might affect project management in a business
- evaluate the impact and importance of qualitative factors affecting project management to a business and its stakeholders.



Thinking Conceptually

Approaches to teaching the content

Project management is an important planning tool that enables a business to plan for the future in all aspects of its operations. This topic will enable students to gain knowledge about the three main quantitative methods that are used within business. It is important that students gain a basic understanding before attempting their own example exercises of Gantt charts, critical path analysis and program evaluation and review techniques. Within this delivery guide are examples of how to complete the different tools and techniques which can then be applied to various scenarios.

Common misconceptions or difficulties students may have

This delivery guide contains example presentations and websites that introduce the different project management tools to students, so that they can be confident when completing different tasks. Students can sometimes find the concepts of the different tools quite hard to grasp initially, so using simple examples will ensure that they gain confidence

with the subject matter. Interpretation and explanation skills will be developed over a period of time. Using group work, presentations and individual tasks will make learning this appear initially to be challenging, but then become an effective tool that the students are confident to complete, explain and interpret.

Conceptual links to other areas of the specification – useful ways to approach this topic to set students up for topics later in the course

Project management is a managerial tool that is used within many businesses and has proved effective in their planning. This topic can be linked to the managerial aspects of the specification when students are investigating management strategies that are commonly used within business. It is important that students are given the opportunity to use the different methods, in order to fully understand how they are used within business, as well as which methods are appropriate for a particular project.



Thinking Contextually






Students need to have gained an understanding of what project management is and how it is used within business. They need to understand the process of planning projects using the different methods (Gantt charts, CPA and PERT) and feel confident in their ability to explain the process to others. Using a variety of different teaching methods such as group, pair and individual work, these skills can be enhanced over a period of time so that students gain confidence.

Students could be given the opportunity to review the topic area, in order to reinforce their understanding. Students should be presented with a variety of different case studies and they should be able to justify which method of project management should be recommended to the businesses concerned.

Activities	Resources
<p>1. Introduction to project management</p> <p>Students could view the following media clip which gives an excellent introduction to the purpose of project management. Once viewed, students could discuss as a class the main points made by the media clip and why project management is encouraged within business.</p> <p>Purpose of project management: https://www.youtube.com/watch?v=9LSnINgIkQA</p>	<div>▶ Click here</div>



Thinking Contextually

Activities	Resources
<p>2. Project management methods</p> <p>Students should be split into small groups in order to complete research and a presentation on one method of project management that is used within a particular industry such as IT, construction or retail. All methods follow a logical sequence in order to plan and complete a given process. Students would need to consider why their chosen method is/could be used successfully and show examples if appropriate. The methods to be researched are: Gantt charts, critical path analysis, PERT and Critical Chain.</p> <p>Students may find the following websites useful as a starting point for their research.</p> <p>Explanation of Gantt charts: http://www.quality-wars.com/2012/01/10/the-use-of-gantt-charts-in-production-monitoring/</p> <p>Explanation of PERT chart: http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=7&ved=0CHQQFjAG&url=http%3A%2F%2Fweb2.concordia.ca%2FQuality%2Ftools%2F20pertchart.pdf&ei=K6b1VMLtNMeyUbfQg8AD&usg=AFQjCNFxBUhGnj-O0ooTck79e4KVfqr9Uw</p> <p>Explanation of PERT chart: http://www.techopedia.com/definition/16424/program-evaluation-review-technique-chart-pert-chart</p> <p>Definition of PERT chart: http://www.businessdictionary.com/definition/program-evaluation-and-review-technique-PERT.html</p> <p>Explanation of Critical Chain: http://www.goldratt.co.uk/resources/critical_chain/</p>	<p> Click here</p> <p> Click here</p> <p> Click here</p> <p> Click here</p> <p> Click here</p>
<p>3. Report to a local business</p> <p>Students should write a formal report to a local business which recommends a new operations strategy, in order for the business to compete with similar businesses within its area of expertise. Within their justification, students should outline the benefits to the organisation of implementing such changes. It is important that students show their knowledge of project management within production, in order to gain the necessary application skills within this piece of work.</p>	
<p>4. Production and project management in the retail industry</p> <p>Using the following statement and question, students should write a response using relevant examples of businesses within the retail industry to illustrate their points.</p> <p>'Production is a transformation of both inputs and output which can be linked to project management in terms of theories for planning, execution and control'. Illustrate, using relevant examples, how businesses combine these two separate areas.</p>	





Thinking Contextually

Activities	Resources
<p>5. Introduction to quantitative methods of project management</p> <p>The following website gives students an introduction, with examples of how to complete and interpret a Gantt chart, critical path analysis and program evaluation and review technique (PERT).</p> <p>Explanation of project management tools: http://www.mindtools.com/pages/article/newPPM_03.htm</p> <p>Explanation of project management tools: http://www.mindtools.com/critpath.html</p> <p>Using the above links, students could be split into small groups to complete the following task.</p> <p>Your school or college needs some help in organising the annual Open Evening which enables the organisation to show potential pupils and their parents the school/college at its best, in order to attract and inform new pupils to the school. The senior management team have asked for your help in this process. They have requested that you produce a Gantt chart in order to help plan the event, as well as a written explanation of the chart so that all the senior management team understand its purpose.</p>	<p>▶ Click here</p> <p>▶ Click here</p>
<p>6. Critical path analysis</p> <p>Students could view the following PowerPoint presentation from http://www.businessstudiesonline.co.uk which takes students through the process of creating their own critical path analysis so that they gain a greater understanding of the planning tool:</p> <p>http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=6&cad=rja&uact=8&ved=0CDQOFjAF&url=http%3A%2F%2Fwww.businessstudiesonline.co.uk%2FA%2BusinessStudies%2FTheoryNotes%2F2880%2F3Hr%2FPDF%2F05%2520Critical%2520Path%2520Analysis.pdf&ei=dar9VL-IAC_baJbqghg&usg=AFQjCNGNkInlyKS0xL_Zc6hneacyTZk7Yw</p> <p>Students could also access the following websites which introduce critical path analysis:</p> <p>http://revisionworld.com/a2-level-level-revision/maths/decision-maths-0/critical-path-analysis</p> <p>http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=7&cad=rja&uact=8&ved=0CDkQFjAG&url=http%3A%2F%2Fwww.businessstudiesalevel.co.uk%2FCPA.pdf&ei=dar9VL-IAC_baJbqghg&usg=AFQjCNHUFyShNZXys6q8RGltEUcVw5IQfg</p>	<p>▶ Click here</p> <p>▶ Click here</p> <p>▶ Click here</p> <p>▶ Click here</p>



Thinking Contextually

Activities	Resources
<p>7. CPA example</p> <p>Students should first view the following information, in order to gain a greater understanding of critical path analysis. An example of making bread is shown as a simple method of using this planning tool.</p> <p>http://www.tutor2u.net/business/production/critical-path-analysis.htm</p> <p>Students should then attempt the following task in order to gain practice and interpret a given business scenario:</p> <p>http://www.bized.co.uk/educators/16-19/business/production/activity/cpa.htm</p>	<p> Click here</p> <p> Click here</p>
<p>8. Usefulness of project management tools</p> <p>Once students have completed the previous few suggested activities, they should be confident in their knowledge of the three main project management tools that are used within business.</p> <p>Students could write an essay which evaluates the usefulness, importance and impact of each of the following tools: Gantt charts, critical path analysis and program evaluation and review techniques. In the essay, they should discuss the way a business and its stakeholders will use such planning tools in order to plan its projects.</p>	
<p>9. Time constraints and planning tools</p> <p>Individually, students should prepare a presentation and write a report which provides evidence and planning of an event, focusing on time constraints and the planning tools that might be used within the planning process. Students could show examples and diagrams to illustrate the different methods and should try where appropriate to evaluate and recommend the best planning tool for the event. Students should consider the impact and importance of the tool in order to successfully plan their project management for both the event and the stakeholders involved.</p>	



Curriculum Content Capacity, technology and services

Capacity utilisation

- explain what is meant by capacity utilisation
- explain what is meant by capacity management
- calculate, interpret and analyse capacity utilisation
- evaluate the impact and importance of capacity utilisation to a business and its stakeholders
- evaluate the impact and importance of capacity management to a business and its stakeholders
- recommend and justify ways in which a business may change its capacity
- recommend and justify ways in which a business may improve its capacity management.

Technology

- explain how technology can be applied to the operations of a business
- evaluate the impact and importance of technology to the operations of a business
- evaluate the impact and importance of technology to the stakeholders of a business.

Services

- explain what is meant by services
- explain the process by which services are provided
- evaluate the importance to the UK economy of the provision of services
- evaluate ways in which the quality of service provision can be monitored or measured
- evaluate the impact of poor customer service on a business and its stakeholders
- evaluate ways in which the quality of customer service provision can be improved
- evaluate the importance of customer service to a business and its stakeholders.



Thinking Conceptually

Approaches to teaching the content

Students should gain a greater understanding of why businesses rely on capacity, technology and services to ensure that an organisation is as successful as it can be within its area of expertise. Students would benefit from individual and group work tasks. Students should be confident in their ability to explain, calculate and interpret results from calculating capital utilisation. By exposing students to a variety of different case studies, their interpretation skills will be improved and their understanding of the topic area increased.

Common misconceptions or difficulties students may have

Students do need to appreciate that in the recent recession capacity utilisation and technology were affected and businesses had to adapt to the economic downturn. This had a negative effect on all aspects of business. Students should

be able to analyse these impacts, but also be able to explain how (with the economy changing) businesses have had to change again.

Conceptual links to other areas of the specification – useful ways to approach this topic to set students up for topics later in the course

This area of study can be linked to operations management and innovation within the area of production. It is directly relevant in many different ways. If teachers use current case studies, this will give students the opportunity to investigate capacity utilisation, technology and services as well as innovation, research and development. Operations management objectives are also directly linked to this area, giving students a good opportunity for further investigations.



Thinking Contextually

It may be beneficial to students to analyse a variety of different newspaper reports, over a period of time, which highlight the many different aspects of capacity utilisation, technology and services. Using resources such as The Times 100 Case Studies, newspaper articles, and website references, students could research the 'good times and the bad times' in terms of business. Students could create presentations that investigate a variety of different sectors in business and how the recession affected the sector specifically. By using such business sectors, students will gain an appreciation of why specific decisions have been made in business and the impacts that these can have on individuals.

Activities: Capacity management	Resources
1. Impact of capacity utilisation Using the following website, students could investigate successful capacity utilisation and the impact that this can have on a business in both a positive and negative way. Explanation of capacity utilisation: http://www.tutor2u.net/business/production/capacity-utilisation.htm	▶ Click here
2. Use of capacity utilisation It is important that students have the opportunity to see how capital utilisation is used within business. The following website illustrates how the theory can be used in practice, giving an example of how a cinema could use this process: http://www.businessstudiesonline.co.uk/AsA2BusinessStudies/TheoryNotes/OCR/F292/2_4_1b/2_4_1b.swf The following blog shows how EasyJet used this to their advantage: http://beta.tutor2u.net/business/blog/a-good-example-of-the-capacity-utilisation-calculation This is a general topic-based web page which students may find useful before completing the questions: http://www.revisionguru.co.uk/business/capacity.htm	▶ Click here ▶ Click here ▶ Click here



Thinking Contextually

Activities: Capacity management	Resources
<p>3. Calculation questions</p> <p>Students should answer the following questions, showing both their application and knowledge skills:</p> <ul style="list-style-type: none"> • What is meant by '100% capacity utilisation'? • What formula is used to calculate the capacity utilisation of a business? • How could a business increase its capacity utilisation without increasing its output? • If a business is currently selling 10,000 units per month and this represents a capacity utilisation of 55%, what is its maximum capacity that it could sell? <p>Further questions are available on the following Hodder resource:</p> <p>http://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=6&cad=rja&uact=8&ved=0CEEQFjAF&url=http%3A%2F%2Fwww.hodderplus.co.uk%2Focrbusiness%2Ffiles%2Foperationsmanagement.pdf&ei=L9j2VJvDGMj3UPysgvgE&usg=AFQjCNFE1IRrY56ZgyzEcjTPJp_vAaqO4Q</p>	<div data-bbox="1736 798 1892 893">▶ Click here</div>
<p>4. Links between capacity utilisation and capacity management</p> <p>In pairs, students should discuss how capacity utilisation and capacity management are linked together. They should create their own definition of the link between the two topics, research different examples of capacity management using the Internet, and feed back their findings to the rest of the class.</p> <p>The following is a good definition of capacity management:</p> <p>http://www.investopedia.com/terms/c/capacity-management.asp</p>	<div data-bbox="1736 1005 1892 1101">▶ Click here</div>



Thinking Contextually

Activities: Capacity management	Resources
<p>5. Nissan case study</p> <p>Students should view the following BBC video clip which discusses the slump in demand for Nissan cars during the recession:</p> <p>http://news.bbc.co.uk/1/hi/england/7681091.stm</p> <p>Students should then answer the following questions and apply the knowledge gained from the case study:</p> <ul style="list-style-type: none"> • What is meant by 'capacity' in the operations sense at Nissan? • What medium/long-term factors might impact upon capacity decisions at the business? • Identify and discuss the medium-term options adopted by Nissan to improve supply for the workforce. What other options could they have considered? Discuss options in relation to cost and other issues. • How have Nissan utilised excess resources when production has been reduced? <p>Their answers could then be discussed as a class.</p> <p>Students could be given the following question to answer in the form of an essay (teachers could give students a specific resort to help focus their thoughts):</p> <p>How might a hotel in a tourist resort within the UK improve its capacity utilisation in the out-of-season months? Discuss and recommend/justify ways which the business could realistically consider.</p>	<p>▶ Click here</p>
<p>6. Capacity management within a hospital</p> <p>Students should view the following case study of capacity management within an Australian hospital:</p> <p>http://ieeexplore.ieee.org/xpl/login.jsp?tp=&arnumber=6944184&url=http%3A%2F%2Fieeexplore.ieee.org%2Fiel7%2F6923026%2F6943513%2F06944184.pdf%3Farnumber%3D6944184</p> <p>They should then answer the following question: Considering the issues that are highlighted within the brief summary, if a private UK hospital were wanting advice on how to improve its capacity management, what ways would you recommend that it should investigate, taking into account the impact on stakeholders? Students could write their response within a formal report.</p>	<p>▶ Click here</p>



Thinking Contextually

Activities: Technology	Resources
7. Technology in the service sector Students should discuss the articles in the web links to consider the impact of technology on the operations of businesses in the service sector. http://www.bbc.co.uk/news/business-32523448 http://www.bbc.co.uk/news/business-32242568	▶ Click here ▶ Click here
8. Accessing new technology Students should view the following BBC media report and/or website information, which considers the impact of new technology on a number of different areas of work, in that it ensures that work can be still be completed by colleagues remotely if the weather impacts upon business operations. http://www.bbc.co.uk/news/business-12068756 Students could then relate this knowledge to the systems that may or not be implemented within their school, and could write a letter to parents explaining about the successful systems of technology that have been implemented within the school. Students could also recommend to their school's Principal any improvements that they consider would benefit all students within the school. How would these impact upon the stakeholders who are affiliated to the school? Students could also view the following BBC media report and/or website information, which discusses new technology that is being utilised in homes in Barcelona to reduce the need for patients to make hospital appointments: http://www.bbc.co.uk/news/business-12068754 A group discussion could take place on how this 'mobile technology' could be used within the students' localities. What other methods of technology could be used locally to reduce the need for appointments?	▶ Click here ▶ Click here




Thinking Contextually

Activities: Technology	Resources
<p>9. Use of technology in business</p> <p>Students should read example case studies from The Times 100 Case Studies which highlight how businesses can use technology to improve their operations.</p> <p>The following links are particularly relevant:</p> <p>Production technology: http://businesscasestudies.co.uk/business-theory/operations/production-technology.html#axzz3TPfvm6w</p> <p>How IT has helped production: http://businesscasestudies.co.uk/business-theory/operations/the-use-of-it.html#axzz3TPfvm6w</p> <p>How technology helps business: http://businesscasestudies.co.uk/business-theory/operations/technology.html#axzz3TPfvm6w</p>	<div data-bbox="1736 475 1890 568">▶ Click here</div> <div data-bbox="1736 596 1890 689">▶ Click here</div> <div data-bbox="1736 718 1890 810">▶ Click here</div>
Activities: Services	Resources
<p>10. Methods of monitoring and measuring customer service</p> <p>Students could investigate the many different methods of monitoring and measuring customer service within different business organisations. This could be recorded within a formal report or essay which focuses on the different types, how effective they are within business and how businesses use the information collected to improve the quality of service that they provide to their customers. Positive and negative aspects should also be considered.</p>	
<p>11. Customer complaints</p> <p>In pairs, students should create a flow diagram and advice booklet that customer services staff refer to when dealing with customer complaints. It is important within a business that all staff deal with complaints in the same way, so that company policy is implemented correctly. How should staff behave? What is the end goal for both the customer and the business? How should staff react to customer queries?</p>	



Thinking Contextually

Activities: Services	Resources
<p>12. Case study: Spark Energy</p> <p>Students should read the following article about the Scottish energy company 'Spark Energy', which was ordered to pay £250,000 to Citizens Advice for failing to treat its customers properly while establishing itself in the marketplace. The article gives details on the impact of poor customer service on the business.</p> <p>http://www.bbc.co.uk/news/uk-scotland-scotland-business-31490466</p> <p>Using the information gained from the article, students should answer and discuss the following questions:</p> <ul style="list-style-type: none">• Why did the business have to pay a large fine?• What changes did Spark Energy implement as a result of Ofgem's findings?• How does the business consider that it has improved?• What effect will the £250,000 payment to Citizens Advice Bureau have on the reputation of the business?• If you were a Spark Energy senior manager, how would you try to rebuild the reputation of the business?	<p> Click here</p>
<p>13. Poor customer service</p> <p>Students should discuss within the class any poor customer service that they have received over the years and how this made them respond to the organisation in question. Did they tell their friends/family? Did they use the business again? What could the implications of poor customer service and the response to it be for the business and its stakeholders?</p>	



Curriculum Content Location and logistics

Location

- explain the factors affecting the choice of location of a business
- evaluate the advantages and disadvantages of different locations for a business and its stakeholders
- evaluate the impact and importance of location to a business and its stakeholders
- recommend and justify suitable locations for a business.

Logistics

- explain what is meant by logistics, including:
 - supply chain management
 - distribution management
 - the role of warehousing
 - the role of distribution centres
 - digital
- evaluate the factors affecting logistical decisions
- evaluate the internal and external provision of logistics for a business
- evaluate the impact and importance of logistics to a business and its stakeholders
- recommend and justify a suitable logistics strategy for a business
- explain what is meant by outsourcing, subcontracting, offshoring and re-shoring
- evaluate the impact and importance of outsourcing, subcontracting, offshoring and re-shoring to a business and its stakeholders.



Thinking Conceptually

Approaches to teaching the content

As an introduction to the topic of location, one approach could be to give students a history lesson on the changes to the traditional High Street over several decades. This will enable students to directly link the visual changes to shopping with the greater accessibility to transport and technology which have directly impacted on the retail industry. Students should be able to analyse these changes to business and explain why location is an important consideration for many businesses. They should be able to therefore see and explain the links between location and logistics and how organisations are now prioritising these aspects, as they are so important within the business model.

Common misconceptions or difficulties students may have

Students may struggle to relate to the concepts of location and logistics as they form a large topic area. It is therefore

important that the individual subjects are broken down. Moreover, if students are to understand this topic area, it is essential that they understand existing theories and relate them to business today. It is therefore imperative that students access a variety of resources, so that they can see the link between the theory and practices within a business.

Conceptual links to other areas of the specification – useful ways to approach this topic to set students up for topics later in the course

Location and logistics should be linked to aims and objectives if a business is to expand its provision in the future. Taking these topics into consideration can give organisations the ability to achieve greater success by building into their future planning the investigation of various logistical approaches. It is important that students can identify these links.



Thinking Contextually

Students could embark on a project which investigates the rise of out-of-town retail parks, which have changed the way in which consumers shop. This could be directly linked to Internet shopping and the logistical elements used by businesses such as Amazon, which have influenced and changed our shopping methods. Students could also investigate why businesses like IKEA select particular locations around the UK. By completing such research, students can gain a greater understanding of the changing retail world and the impacts that these business decisions have had on everyday life for consumers.

Activities: Location	Resources
<p>1. Influences on business location</p> <p>Students should be given the following factors which influence a business's decision as to where it should be located: amenities, raw materials, employees, infrastructure, transport, customers, cost of land.</p> <p>Students should think of three different businesses in their local area and write a paragraph on each factor explaining why they think that each business decided to be located in its particular area. What are the advantages and disadvantages of the location? The work would be enhanced if they could identify any transport links, using maps of the local area.</p>	
<p>2. Case studies</p> <p>Students should view the following case studies which explain how and why businesses choose their locations in order to operate:</p> <p>http://businesscasestudies.co.uk/business-theory/operations/location-of-business.html#axzz3TVEy7hQG</p> <p>http://businesscasestudies.co.uk/business-theory/operations/business-location.html#axzz3TVEy7hQG</p> <p>http://www.bbc.co.uk/news/uk-england-coventry-warwickshire-19635567</p> <p>After reading the above case studies, students could take part in a group discussion on why the development of out-of-town shopping centres has increased over the past ten years. Why do these attract more businesses compared to the average High Street? How would this affect stakeholders? Are there any advantages and disadvantages to these developments?</p>	<p>▶ Click here</p> <p>▶ Click here</p> <p>▶ Click here</p>
<p>3. Formal letter</p> <p>Students could be given a variety of different businesses in different sectors and asked to select one each. Each student then writes a formal letter to their chosen business (which has supposedly already approached them asking for a recommendation) recommending a suitable location for the business, which needs to move to bigger premises.</p>	



Thinking Contextually

Activities: Location	Resources
<p>4. Tesco case study</p> <p>Tesco has recently been in the news because of its falling profits, which are due to various reasons including the increased competition from Aldi and Lidl. As a result of this fall in profits, some Tesco stores have been built and left unopened. Students should research this topic and write an essay which evaluates the impact of these decisions taken by Tesco's management on the business and also on its stakeholders.</p> <p>The following article from the Guardian newspaper is particularly relevant:</p> <p>http://www.theguardian.com/business/2014/oct/03/tesco-expansion-policy-hold-chatteris-ghost-store</p>	<p>▶ Click here</p>
Activities: Logistics	Resources
<p>5. Supply chain management</p> <p>Logistics in its simplest form is having the 'right things, at the right time and in the right place'. Students should read the following case study of the Exel company entitled 'Managing the supply chain for globally integrated products'. The case study gives a good introduction to 'supply chain management':</p> <p>http://businesscasestudies.co.uk/exel/managing-the-supply-chain-for-globally-integrated-products/introduction.html#axzz3TVy7hQG</p>	<p>▶ Click here</p>
<p>6. Apple Watch</p> <p>Students could be asked to think about the launch of new Apple products such as the Apple Watch. Using news articles about the product such as the two BBC links below, students could, in pairs, discuss the main aspects of supply chain management for a large business like Apple, and how it ensures that consumers are not disappointed when trying to purchase the product.</p> <p>http://www.bbc.co.uk/news/technology-29128083</p> <p>http://www.bbc.co.uk/news/technology-32402482</p> <p>If supply chain management is not effective, what could the implications be for a business like Apple? A group discussion could then take place on the students' answers to this question.</p>	<p>▶ Click here</p> <p>▶ Click here</p>



Thinking Contextually

Activities: Logistics	Resources
<p>7. Logistics case studies</p> <p>Students could use the following research articles to start researching an individual piece of work in the form of a formal presentation, which investigates how a business is able to successfully utilise the supply chain, distribution, warehousing and digital aspects of logistics. Students should select one business to base their presentation on so that they can apply their skills and knowledge in a focused way. The following articles will help them initially, but students should be encouraged to research their own articles to complete the work.</p> <p>Article about warehouse logistics: http://smallbusiness.chron.com/importance-warehousing-logistics-system-74825.html</p> <p>How John Lewis has adapted to logistics: http://www.bbc.co.uk/news/business-24925474</p> <p>Article about e-commerce logistics: http://realbusiness.co.uk/article/27500-how-we-manage-the-challenges-of-ecommerce-logistics-</p> <p>Co-op food distribution centres in the UK: http://www.crl-primary.co.uk/depots.asp?depot=westthurrock</p>	<div data-bbox="1736 475 1892 568">▶ Click here</div> <div data-bbox="1736 596 1892 689">▶ Click here</div> <div data-bbox="1736 718 1892 810">▶ Click here</div> <div data-bbox="1736 839 1892 932">▶ Click here</div>
<p>8. Logistics in the retail sector</p> <p>In small groups, students could create a presentation that evaluates the different logistical factors that a business in the retail sector will need to consider in order to ensure that it can compete successfully in the run-up to Christmas. What internal and external provisions will need to be made? How will these provisions impact upon stakeholders? How important is the timing of decisions?</p> <p>It is important that students select specific businesses to base this presentation on so that relevant information can be related to the topic area of logistics. Previous learning activities will help with their understanding of the topic area.</p>	



Thinking Contextually

Activities: Logistics	Resources
9. Outsourcing, subcontracting, offshoring and re-shoring The following links can give the students a good understanding of the different elements of outsourcing, subcontracting, offshoring and re-shoring with examples given when appropriate. Two examples of how businesses use outsourcing: http://www.bizhelp24.com/basics/small-business-basics/an-example-of-outsourcing-in-small-business.html Article discussing contractors and of subcontractors: http://www.business-scene.com/resources/using-contractors-and-subcontractors Media clip which illustrates how a business used offshoring successfully: http://www.bbc.co.uk/education/clips/z6d86sg Article explaining the differences between offshoring and outsourcing and giving a media clip to explain the differences further: http://www.diffen.com/difference/Offshoring_vs_Outsourcing Article explaining the theory of re-shoring: http://eandt.theiet.org/magazine/2014/07/homeward-bound.cfm Two media clips illustrate how businesses who were using offshoring are now re-shoring their business back to the UK: http://www.bbc.co.uk/news/business-26235707 http://www.bbc.co.uk/news/business-31509223 Using all the links above, students could create individual investigations into how four different businesses have used outsourcing, subcontracting, offshoring and re-shoring. Students should demonstrate how one business has used outsourcing, a different business has used subcontracting etc. What has been the impact on the business and the stakeholders involved in the business? Completing this task will enable students to use their knowledge and apply their skills to gain a greater understanding of this topic area.	<div>▶ Click here</div> <div>▶ Click here</div> <div>▶ Click here</div> <div>▶ Click here</div> <div>▶ Click here</div> <div>▶ Click here</div> <div>▶ Click here</div>



Curriculum Content Influences and strategy

External influences

- evaluate the following influences on operations management:
 - social
 - legal
 - ethical
 - environmental
 - economic
 - political
 - technological
 - international.

Strategy

- evaluate the impact and importance of an operations strategy to a business and its stakeholders
- recommend and justify an operations strategy for a business.



Thinking Conceptually

Approaches to teaching the content

It is important that students have a basic understanding of the key concepts of operations management in order to move forward with this topic. It would benefit students if the key concepts of operations management were reviewed before progressing the learning to a more in-depth approach. Students would benefit from a variety of different business case studies that they could draw upon when investigating further the specific subject areas; 'The Times 100 Case Studies' series covers current businesses and provides specific questions relating to the topics within the case studies. Individual and group work will enhance students' styles, build their confidence and enable them to develop and apply their skills as will group discussions. Using a variety of different teaching styles will help all students to gain a full understanding of the topic area.

Common misconceptions or difficulties students may have

Students need to understand that, within operations management, simply understanding the production process is insufficient. The production process within a business is very important, but how an operations strategy

is implemented within a business, taking into account as it must the many different external influences, needs to be investigated and applied to a variety of different businesses in order to understand the complexity of the topic. Using a variety of different learning methods such as investigations or viewing topical programmes, will enhance students' learning experience and enable them to fully appreciate the topic.

Conceptual links to other areas of the specification – useful ways to approach this topic to set students up for topics later in the course

External influences on operations management can be directly linked to other aspects within the topic of production including innovation, research and development, capacity, technology and services and location and logistics. This area can also be linked to the economic element of the course in terms of national government. It is important that students read newspapers and watch the news on a regular basis so that they have a full understanding of the direct link between what happens in the business world and in our everyday lives. Project work approaches can engage students in different ways and help them to gain understanding and knowledge.





Thinking Contextually

Students could be encouraged to provide and discuss one business article or story that they saw over the weekend and explain to the class why this interested them particularly. This could take place every week and is a simple way to ensure that students take an interest in the subject area. Watching a business news clip in class is another way to get students engaged in the subject. Using such methods can expose the class to different elements of business, which will give students a greater understanding of the topic area.

Activities: Location	Resources
1. Use of operations management Students should discuss as a group the meaning of the term operations management, and then in pairs create their own definition. Bearing in mind this definition, students could then select three different size businesses and discuss how each business would use operations management. Their ideas could then be fed back to the rest of the class to create a class discussion.	
2. Ethical operations management Ethical operations management has been highlighted within the press over the past few years as a result of increased demand from consumers for cheap products such as clothes. Students could individually complete an investigation into companies who have not always considered ethical operations management in their strategic planning. Students could focus their investigation on five separate areas: worker safety, product safety, quality, recruitment, HR issues and workers' rights. Once they have completed their investigations, students could have a group discussion on their findings. The following two links provide helpful introductory information on the subject: http://www.managementstudyguide.com/ethics-in-production.htm http://www.slideshare.net/profmanishparihar/introduction-to-operations-management-9685100	<div>▶ Click here</div> <div>▶ Click here</div>



Thinking Contextually

Activities: Location	Resources
<p>3. Cadbury case study</p> <p>Students should consider the following questions, which form part of any business's operations strategy: Where should a business be located? How can the business develop more innovative products/services? How can the business become even more efficient? How can the business retain its effective quality control processes? How best can the business control its stock? Could the workforce be better organised?</p> <p>Taking Cadbury as their case study, students should write a report which focuses on the above questions, ensuring that they consider the impact and importance of an operations strategy for Cadbury (or indeed any business) in enabling it to effectively plan for the future. What has Cadbury done to ensure successful operations? Looking at past products, how has the business evolved?</p> <p>When writing their reports, students should research Cadbury fully in terms of its operations strategy that has over many years worked to the benefit of the business as well as its stakeholders. The company website contains a page on its history which students could use as part of their research:</p> <p>https://www.cadbury.co.uk/the-story</p>	
<p>4. Competitive advantage</p> <p>Students should read the following study notes from tutor2u, which discusses business strategy with a focus on competitive advantage:</p> <p>http://www.tutor2u.net/business/strategy/competitive_advantage.htm</p> <p>In groups, students could investigate how businesses try to remain competitive within the area of operations management. Using this information, each student could produce a basic operations strategy for a local business, enabling it to remain competitive with similar businesses locally, and explain why this strategy will work in the current market-place.</p>	





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