

Career Shot: Production and Operations Management

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All businesses have one purpose: to offer a product or service to customers. Thus companies have to figure out the best way to manufacture and distribute their product or to operate their service.

Products come in all shapes and sizes and have virtually infinite characteristics. As just a few examples, they might be:

- large (diesel engines and jet aircraft) or small (watches and computer mice)
- high tech (microprocessors and magnetic resonance imaging machines) or low tech (paper bags and industrial fasteners) and commodities (fuel oil and frozen orange juice)
- differentiated (motorcycles and stereos)
- intellectual property (books or computer software)

Moreover, companies target different kinds of customers for different products. For example:

- Some companies make products intended for individual consumers, such as eyeglass frames and cold cream.
- Others offer products to other businesses; e.g., turbine blades for hydroelectric power plants and automotive fuel injectors.

Whatever the product is -- and whoever the customer is -- the company has to find the best way to

- gather the supplies and materials that the product will be made of (e.g., plastics, machine parts, chemical ingredients)
- buy or fabricate the machinery needed to make the product
- oversee the product's manufacture, quality, storage, and shipment

The production and operations manager orchestrates all this.

Similarly, **services** come in a rainbow of varieties. Here are just a few examples:

- market research
- personal shopping
- freight shipping
- consulting
- transportation
- restaurants and hotels
- electric utilities

As with products, companies that offer services may sell to different kinds of customers. For example:

- Some firms sell their services to other businesses; e.g., providing shipping services to rail freight companies.
- Others sell services to individual end users; for instance, personal shopping.
- Still others -- such as electric-utility firms -- sell to both businesses and individuals.
- Finally, some customers are internal to the service company itself; e.g., a firm's market-research group provides research services to that same company's marketing department.

Whatever the service is, the production and operations manager has to make sure that the company has the equipment and staff it needs to deliver that service to customers in a timely and efficient manner.

Production and operations managers grapple with real-world, practical challenges every day -- whether it's the breakdown of an outgoing delivery truck, a delay in the shipment of crucial manufacturing supplies, or a grumpy attitude on the part of a hotel reception clerk.

To juggle their many responsibilities, they have to stay focused on results and need a supremely pragmatic outlook. The results of what they do are instantly visible and measurable, and they're always on the lookout for ways to improve.