Unit 5.1: The role of operations management

Operations refer to the **fundamental activities** of organizations - what they do and what they deliver.
- How they produce the goods + services to satisfy needs and wants.

- **Primary sector** = mining/harvesting
- **Secondary sector** = industry/manufacturing
- **Tertiary sector** = open heart surgery
- **Quaternary sec.** = Business consultancy

The operations manager works with all departments to make correct decisions:
- Direct experience of eco. / effect of scale, identifies strengths or weaknesses
- Suggests non-financial rewards for HR
- Sees which costs can be cut to improve SE and MCS
- Can advise on appropriate extension strategies

< Pure goods — combination of — pure services — goods & services >

Operations management and sustainability:

- **Economic factors**: Budget respected, min. waste, long-term profitability
- **Social factors**: Workers are treated well, local community respected, quality of life
- **Ecological factors**: Avoid any type of pollution (water, noise, air)