



SNS COLLEGE OF TECHNOLOGY



Coimbatore - 35

23BAT613 – Operations Management

UNIT-I INTRODUCTION

Operation Strategy – Strategic fit -, Framework

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1st Indian Institution To Implement **Design Thinking Curriculum**

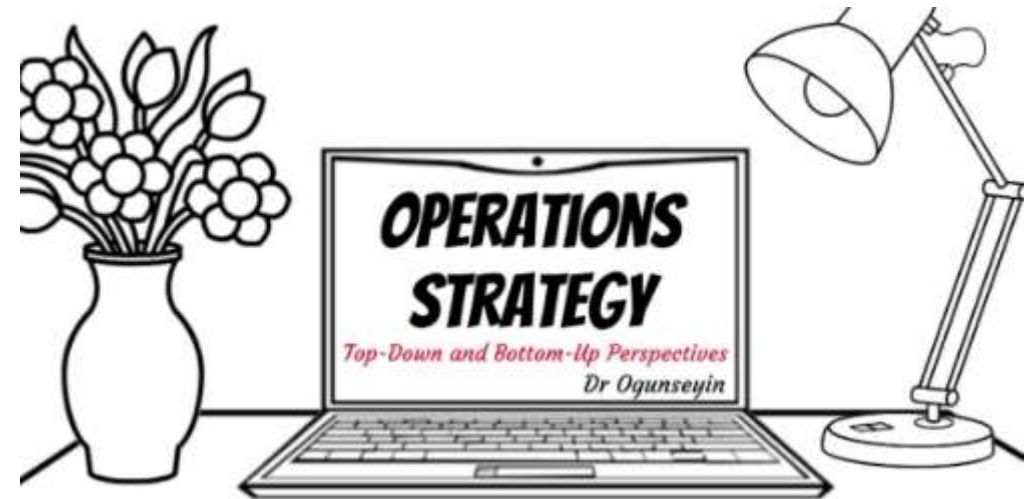
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TODAY'S TOPIC:



Operation strategy - Strategic fit and framework





Definition- Operation Strategy

- "Strategic fit" refers to the alignment between an organization's internal resources, capabilities, and external environment. It's about ensuring that the company's strategy matches its strengths and weaknesses with the opportunities and threats present in the market. A strategic fit implies that the organization has a coherent and well-aligned approach to achieving its goals.





Framework for assessing strategic fit often involves analyzing several key elements:

Operation Strategy - Framework

Corporate Objectives	Marketing Strategy	Order Winning Criteria	Manufacturing Strategy	
			Process Choice	Infrastructure
<ul style="list-style-type: none">• Growth• Survival• Profit• Return on investment• Other financial measures	<ul style="list-style-type: none">• Product markets and segments• Range• Mix• Volumes• Standardisation vs. customisation• Level of innovation• Leader vs. follower alternatives	<ul style="list-style-type: none">• Price• Conformance quality• Delivery speed• Delivery reliability• Volume flexibility• Color range• Product range• Design• Brand image• Technical support• After sales support	<ul style="list-style-type: none">• Choice of alternative processes• Tradeoffs embodied in process choice• Role of inventory in process configuration• Make of buy decisions and supply chain management• Capacity size• Capacity timing• Capacity location	<ul style="list-style-type: none">• Functional support for operations• Manufacturing planning and control systems• Quality assurance and control• Manufacturing systems engineering• Clinical procedures• Compensation agreements• Work structuring• Organizational structure

- External Analysis
- Internal Analysis
- SWOT Analysis
- Value Chain Analysis
- Core Competencies
- Strategic Objectives
- Alignment of Resources and Capabilities



External Analysis

Understanding the industry environment, market trends, competition, and customer needs. This involves tools like PESTEL analysis (Political, Economic, Social, Technological, Environmental, and Legal factors) and Porter's Five Forces analysis.



Internal Analysis

Assessing the organization's resources, capabilities, and core competencies. This may include evaluating factors such as technology, human resources, financial resources, and operational efficiency.



SWOT Analysis

Combining insights from external and internal analyses to identify the organization's strengths, weaknesses, opportunities, and threats. This helps in understanding how well the organization's strengths can be leveraged to exploit opportunities and mitigate threats.



Value Chain Analysis

Examining the activities within the organization and how they contribute to creating value for customers. This involves identifying primary and support activities and assessing their effectiveness and efficiency.



Core Competencies

Identifying the unique capabilities or skills that give the organization a competitive advantage. These core competencies should align with the organization's strategic goals and market opportunities



Strategic Objectives

Setting clear and specific goals that the organization aims to achieve in alignment with its mission and vision. These objectives should be measurable, achievable, relevant, and time-bound.



Alignment of Resources and Capabilities

Ensuring that the organization's resources and capabilities are aligned with its strategic objectives. This may involve reallocating resources, investing in new capabilities, or divesting from areas that do not fit strategically



Summary

- **External Analysis**
- **Internal Analysis**
- **SWOT Analysis**
- **Value Chain Analysis**
- **Core Competencies**
- **Strategic Objectives**
- **Alignment of Resources and Capabilities**



ASSESSMENT:



What is the key benefit of adopting agile methodologies in operations management?

- a) Faster decision-making
- b) Reduced costs
- c) Increased product quality
- d) Enhanced employee satisfaction



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