

A partnership between

Bayan Academy for Social Entrepreneurship and
Human Resource Development, Inc.
and

Center for Community Transformation

# Days 12-15 ENTREPRENEURIAL OPERATIONS OPERATIONS MANAGEMENT PART II-A & B

#### **TEACHING GUIDE**







A partnership between
Bayan Academy for Social Entrepreneurship and
Human Resource Development, Inc.
and
Center for Community Transformation

### Day 12-13 ENTREPRENEURIAL OPERATIONS

**Teaching Guide** 





## Entrep-Eskwela four school on entrepreneurship

#### **MODULE TITLE:**

### Pagpapatakbo ng Negosyo





#### ENTREP ESKWELA Grassroots Entrepreneurship Management (GEM) Program





#### **TEACHING GUIDE 12-A**

Module Title : INTRODUCTION TO OPERATIONS MANAGEMENT

Duration : 1/2 Day

Module Objectives :

1. To introduce the functional area of operations management

2. To appreciate the link between marketing and operations management

#### Session 1 - Lecture

#### Part 1

The first part of the lecture highlights the linkage between marketing and operations. Coming from a through understanding of the customer's needs and having developed a product or service that meets the customer's requirements and a corresponding marketing plan to attract customers, the next step is to develop an operations plan that will consistently deliver the quality of the product desired by the customer.

The initial lecture highlights the link of marketing and operations. While marketing creates a perception about a product, its operations that attempts to consistently deliver the product, in the quality that is expected by the customer.

Succeeding slides show examples of the four primordial equations in operations:

Customer experience < Expectation =

Dissatisfaction

Customer experience = Expectation = Satisfaction

Customer experience > Expectation = Delight

Customer experience >> Expectation = Surprise

When customer's experience is less than the expectation created, then the customer will be dissatisfied. If the customer's experience is equal to his expectation, then he will be satisfied. If his experience is greater than his expectation, he will be delighted. But if his experience is much, much greater than his expectation, then he will be surprised. The above equations show that every entrepreneur have to strive towards surprising the customers, consistently.

The operative word is "consistently." The entrepreneur should surprise the customers consistently at a pace the consistently produces the product as needed by the customer, at a cost that consistently generates profits for the entrepreneur. This is the essence of operations management.

The discussion segues into the fundamentals of QDP. The main idea behind QDP is that the first decision criterion of customers is based on quality. Customers will prefer a product, amongst a sea of products, that has the attributes that meets their exact requirements. With the notion that it's the customers who define quality, the entrepreneur must know exactly what the customers are looking for. Customers are willing to wait and even willing to pay extra just to get the quality they need. The perfect example for this is the hairdresser or "stylist" most customers have a preferred stylist that they go to and are willing to wait if the said stylist is busy even if there are other stylist immediately available. After the service, the customer even gives a tip to the stylist.

If there is parity in quality, customers will shift to "D" or delivery. This means that between two products that meets the customer's quality definition, the customer will pick the one that he can get sooner and easier. A good example of this is a brand of particular sardines available in two sarisari stores: one near the house of a customer and another two streets away. Everything held constant, chances are the said customer will buy from the store nearer his house.

Finally, if there is parity in both Quality and Delivery, the customer will decide based on Price (or what is cheaper). This is the worst competitive arena to compete in because margins are sacrificed. Entrepreneurs competing in this area are recommended to try to bring it up to "D" (deliver faster or make it more convenient for the customer) or even up to "Q" (change the product, add value).

#### Session 2 - Case Study Discussion

#### Part 2

The "Veron's Turon" animated caselet shows a simple application of the basic principles of QDP. The first part of the case shows how customers defined quality in their Turon, how long they are willing to wait and how much they are willing to pay. Understanding these is the first step in applying the QDP framework of analysis.

The first step in planning the production process is to look at the inputs. Which of the inputs will have a significant impact in terms of the overall quality of the product, how fast it can be delivered, and at what cost.

ANG TURON NI VERON (A) Identifying Critical Inputs After watching the short caselet, the facilitator will lead a discussion on the inputs. Which of the inputs have a direct effect on the quality of the end product? Which has a direct effect on the time of production? Which has an effect on the cost of production?

The Veron case shows that out of the many ingredients to make the turon, the bananas will have a great impact on the final quality of the product. As mentioned in the case, if the bananas are too ripe, the consistency of the turon will be mushy. On the other hand, if the bananas are not yet ripe, the taste of the turon will be affected because unripe bananas can have a bitter after-taste that can be difficult to mask.

In terms of price, most inputs will have a bearing on the cost of producing the turon. If Veron bought over-ripe bananas that can't be used, that will increase her cost. If she spills sugar while preparing the turon, then that can increase the cost. These wastage can lead to increased cost, but the risk of their occurance can be reduced by extra care in selection and in the production process.

What is crucial in terms of inputs that may also have an impact on cost is the selection of the wrapper. Selecting wrappers that are cheap and that break easily. The facilitator should highlight here that low cost inputs may not necessarily be the best option especially if there is a need to use more of them anyway.

Inputs with impact on Quality

Bananas – right ripeness Wrapper – No holes otherwise oil will seep in Cooking Oil – clean and fresh, no taste

Inputs with impact on Productivity or Cost

Bananas – Right ripeness, right size Wrapper – No holes otherwise product is rejected

#### Strategies for ensuring Quality of Inputs

Once the quality, delivery and cost repercussions of each of the different inputs have been thoroughly discussed, the facilitator will now move to strategizing. How control mechanisms can the entrepreneur set in place to ensure that the inputs that are purchased are consistently of a quality that will deliver the product expected by the customer. The facilitator should carefully identify specific processes for each input. While some inputs may not have any direct implications on the end-quality or cost, some control mechanisms will have to be set in place just the same. For instance, while sugar in any form will suffice,



A partnership between
Bayan Academy for Social Entrepreneurship and
Human Resource Development, Inc.
and
Center for Community Transformation

## Day 14 OPERATIONS MANAGEMENT PART II-A

**Teaching Guide** 





## Entrep-Eskwela your school on entrepreneurship

#### **MODULE TITLE:**

### Pagsiguro ng Kalidad at Epekto sa Gastusin





#### ENTREP-ESKWELA Grassroots Entrepreneurship Management (GEM) Program



#### **TEACHING GUIDE 14**



Module Title : OPERATIONS MANAGEMENT Part II-A

(Pagsisiguro ng Kalidad at Epekto sa Gastusin)

By Angelito J. Domingo

Duration : 1 Day

Module Objectives :

Ang paggawa at pagtuturo sa pagsiguro ng kalidad at epekto sa gastusin ay ginagawa upang matutunan at maintindihan ang pangangailangan para maibigay o matapos ang produkto o serbisyo habang pinananatili ang kalidad at episyentend paggastos.

Ang pagaaral sa limang paraan sa pamamalakad ng tao ay gaganapin sa loob ng isang araw. Ang oras at paksang aralin ay ang sumusunod:

MULA	HANGGANG	PAKSANG ARALIN
8:00 am	8:30 am	Pagrehistro ng mga Estudyante
8:30 am	9:00 am	Pagaalam sa Inaasahan sa Pagaaral
9:00 am	10:30 am	Panayam – Pagsiguro sa Kalidad
10:30 am	10:45 am	BREAK
10:45 am	12:00 pm	Pagbabasa at Diskusyon ng Kaso kada Grupo
12:00 pm	1:00 pm	LUNCH
1:00 pm	2:30 pm	Panayam – Epekto sa Gastusin
2:30 pm	2:45 pm	BREAK
2:45 pm	4:00 pm	Diskusyon ng Kaso _ Buong Klase
4:00 pm	5:00 pm	Panayam para sa Kabuuan Pagsiguro sa Kalidad at Epekto sa Gastusin

#### MGA BILIN:

- Ang bawat paksa ay kinabibilangan ng ilang "slide" o pahinang pagtuturo kung saan makikita ang:
  - a. Larawan na ipakikita sa estudyante,
  - b. Gabay na tanong at karampatang sagot,
  - c. Rekomendasyon at paalala (notes) kung paano ipapaliwanag ang pahina.
- Sundin ang oras na nilaan para sa bawat oaksa at Gawain. Siguraduhing naintindihan ng estudyante ang pinaguusapang paksa bago lumipat sa susunod na usapin.
- 3. Siguraduhin na sa pagtatapos ng bawat paksa ay ipapaliwanag ng guro ang mga dapat natutunan at ang ibig sabihin sa isang nais magnegosyo.
- Ang bawat estudyante ay may kani-kanyang antas ng napagaralan, kaalaman, at karanasan sa buhay. Hangarin natin na pakinggan ang kanilang opinion at sagutin ang mga tanong sa bawat paksa.

#### PAGSIGURO NG KALIDAD

#### Pananaw sa Operasyon:

- Modelo: <u>SANGKAP-RESULTA</u> nagumpisa sa mga sangkap ng produksyon; pagaralan ang proseso; isunod ang resulta na naias makamit
- Modelo: <u>RESULTA-SANGKAP</u> nagumpisa sa pangangailangan ng kostomer; isunod ang sangkap sa produksyon; pagaralan ang proseso



#### • Ano ang interes ng KOSTOMER?

- HALAGA at IMPORTANSYA ng produkto
- SULIT sa ibinayad o sa paghihirap para makuha ang produkto o serbisyo
- Hindi sa gatos ng produksyon
- Hindi ang pananaw ng nagtitinda ng produkto o nagbibigay ng serbisyo

#### Sino ang KOSTOMER?

- siya ay isang tao o grupo ng tao na may pangangailangan, na kapag napuno,
- handang magbayad ayon sa halaga na sana ay kayang saklawin ang gastos sa produksyon
- pati na ang dagdag sa pagkalahatng gugol at tubo sa produkto o serbisyo

#### Ibig Sabihin...

 <u>Binibiyayaan</u> ng kostomer ang pagupuno sa kanyang pangangailangan sa pamamagitan ng <u>pagbayad</u> para <u>masaklawan ang gastos at</u> <u>magbigay ng tubo</u> sa nagtinda ng produkto o nagbigay ng serbisyo.

#### Ano ang KALIDAD?

 Ito ay ang pinakamababang antas ng partikular na pangangailangan na katanggap tanggap sa kostomer

#### Pagsiguro sa KALIDAD?

 ito ay PAGSUKAT sa mga KATANGIAN na ninanais ng kostomer sa isang produkto o serbisyo

The power point presentation in pdf file contains teaching notes that serve as a guide for the trainor to explain the content of each slide and how it should be delivered.



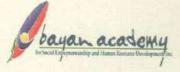
A partnership between

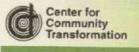
Bayan Academy for Social Entrepreneurship and
Human Resource Development, Inc.
and

Center for Community Transformation

## Day 15 OPERATIONS MANAGEMENT PART II-B

**Teaching Guide** 





## Tontrep-Eskwela your school on entrepreneurship

#### **MODULE TITLE:**

### Pagiging Produktibo at Ilang Kaalaman sa Produksyon





### ENTREP-ESKWELA Grassroots Entrepreneurship Management (GEM) Program





#### **TEACHING GUIDE 15**

Module Title

**OPERATIONS MANAGEMENT Part II-B** 

(Pagiging Produktibo at Ilang Kaalaman sa

Produksiyon)

By Laarni S. Baluyot

Duration

1 day

Module Objectives :

This is the 4<sup>th</sup> part of the Operations Series. It is a summary of the last three sessions on Entrepreneurial Operations (A & B) and Operations Management (A).

Have an understanding of the previous topics on Operations.

#### SCHEDULE

ACTIVITY
Introduction
Learning Team Discussion: Let's Go Lugaw!
Break
Class Discussion: Let's Go Lugaw!
Learning Team Discussion: N. Mendoza General Merchandise
LUNCH
Class Discussion: N. Mendoza General Merchandise
Learning Team Discussion: Just in Time for the Holidays
Group Presentations: Just in Time for the Holidays
Learning Team Discussion: Just in Time for the Holidays (Expert's Opinion)
Class Discussion: Just in Time for the Holidays (Expert's Opinion)

#### STEPS IN TEACHING

This session is composed of three exercises – three stories on the different experiences that can be used to bring about important concepts. The steps to follow for each exercise are the same:

- 1. Divide the class into groups of five to six members.
- 2. Assign each group to discuss the exercise.

After one hour, discuss in class the different operations concepts that can be used for day to day activities.

Here is a summary of the concepts:

#### Aralin 15-1: Let's Go Lugaw!

- 1. Importance of location analysis (foot traffic)
- 2. Importance of time when customer comes to a place (preparation time)
- 3. Preparation of inputs and materials especially in small places (capacity)
- 4. Choice of product to sell (inputs and ways to find them)
- 5. Number of products sold for each day

#### Aralin 15-4: N. Mendoza General Merchandise

- 1. Importance of location analysis (foot traffic)
- 2. Importance of time when customer comes to a place (preparation time)
- 3. Choice of product to sell (inputs and ways to find them)
- 4. Inventory management

#### Aralin 15-9: Just in Time for the Holidays

- 1. Analyzing the things affecting the demand for a product or service (forecasting)
- Understanding the limitations and capacity of a company to have a proper measurement on demand
- 3. Importance of proper delivery
- 4. Proper analysis of things that would be affected by decisions on operations

#### Aralin 15-10

- Problem solving long term and short term
- 2. Company's responsibilities to its customers
- 3. Limitation of computer in analyzing data (The importance of PEOPLE!)
- 4. Customer movement analysis
- 5. Meeting demands given a short time
  - a. Substitution
  - b. Risk Sharing / Hedging
  - c. Postponement
- 6. Operations planning What to prioritize
- 7. Using the different types of analysis
  - a. Cost/Benefit Analysis
  - b. Breakeven Point
  - c. Production Flexibility

#### Attachments:

Exercise 15-1 Let's Go Lugaw!

Exercise 15-4 N. Mendoza General Merchandise

Exercise 15-9 Just in Time for the Holidays

Just in Time for the Holidays (Expert's Opinion) Learning Bits