



ISOM 1700 Critical Issues in Business Operations Winter 2020

Department of Information Systems, Business Statistics and
Operations Management

COURSE: ISOM1700 Critical Issues in Business Operations (3-0-0:3)
This course will focus on how business organizations should create and sustain value for different stakeholders in the society by designing, optimizing, and improving the operations. Successful businesses have demonstrated their sustainable competitiveness by maintaining a balanced view of economic prosperity, environmental stewardship, and social responsibility. This course will also examine how the changing perspectives of stakeholders (like government and consumers) affect the business decisions and operations. *This course satisfies the common core (social analysis) requirement.*

Winter 2020

Zoom meeting time: Monday to Friday 9:30 am – 12:50 pm, January 3 to 20
(Please note the Zoom meeting ID to access live streaming of the class)

Special note: This course will use an online learning approach and lectures are delivered during the class time using Zoom. You do not need to be present on campus to take this course and the exam. However, you are welcome to come to the classroom (as indicated in this syllabus) for a better learning experience while the instructor is delivering the lectures.

INSTRUCTOR: Prof. Ronald S. Lau (rlau@ust.hk)
Office: LSK-4081; Phone: 2358-8348
Office hours: Monday to Friday, 9-9:30 am and 5:30-6 pm or by appointment

TEACHING ASSISTANTS: Angel So (imso@ust.hk), Phone: 2358-5728, Office: LSK-4049C
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TEXTS: No required textbook; learning materials will be posted on Canvas.

GRADING POLICY: Final course grade will be determined by the following criteria and point distribution:

Online quizzes (10)	20
Written assignments (2)	20
Final Exam	<u>60</u>
Total	100

Each online quiz needs to be completed by 23:59 on the date indicated on the syllabus.

COURSE GRADE DISTRIBUTION: In determining the final course grade, your instructor will consider the recommended grade distribution at HKUST, i.e.,

A	10% - 20%
B	25% - 40%
C	35% - 45%
D	5% - 10%
F	0% - 5%

**COURSE
GOALS:**

- This course is designed in such a way that, after completing it, you will be able to:
1. Describe the design and delivery of product/service in different organizations, leading to measurement and improvement of business operations
 2. Identify a wide range of contemporary and pervasive business, technology, environmental, and social issues that impact the management of operations
 3. Discuss the critical roles of operations management in sustainability and social responsibility

**ACADEMIC
INTEGRITY:**

Students at HKUST are expected to observe the Academic Honor Code at all times (<https://acadreg.ust.hk/generalreg.html> for more information). Zero tolerance is shown to those who are caught cheating on any form of assessment and a zero mark will be given. In particular, any act of cheating on exam will automatically result in a XF grade for this course. This XF grade will stay with your record until graduation. If you receive another XF or X grade, you will be dismissed from the University. All written assignment will be screened by Turnitin for plagiarism and points will be deducted when the similarity index is considered high (e.g., more than 25%).

Course Outline

<p>Class Day 1 January 3 Friday (LSK-G001)</p>	<p>Introduction and Sustainability Issues</p> <ul style="list-style-type: none"> Strategic roles of business operations in achieving sustainable competitive advantages “Triple bottom line” of a sustainable business: Profit, People, Planet <p>For discussion:</p> <ul style="list-style-type: none"> “What is the purpose of business?”
<p>Class Day 2 January 6 Monday Quiz-1 (LSK-G001)</p>	<p>Creating a Sustainable Business</p> <ul style="list-style-type: none"> Strategic analysis tools: PESTLE, SWOT and Porter's models Impacts of operational issues on sustainability <p>For discussion:</p> <ul style="list-style-type: none"> “The story of stuff” (https://www.youtube.com/watch?v=9GorqroigqM) “The business logic of sustainability” (https://www.youtube.com/watch?v=iP9QF_IBOyA)
<p>Class Day 3 January 7 Tuesday Quiz-2 (LSK-1003)</p>	<p>Strategic and Managerial Issues</p> <ul style="list-style-type: none"> From business strategy to operations and supply chain strategy Measurement metrics that drive business performance improvement <p>For discussion:</p> <ul style="list-style-type: none"> “The story of solutions” (https://www.youtube.com/watch?v=cpkRvc-sOKk)
<p>Class Day 4 January 8 Wednesday Quiz-3 (LSK-G001)</p>	<p>Design and Development: Product</p> <ul style="list-style-type: none"> Product innovation: Discovery > Design > Development > Deployment Design for sustainability <p>For discussion:</p> <ul style="list-style-type: none"> “Shan Zhai” “How sustainability fuels design innovation?” <p>Case Discussion</p> <ul style="list-style-type: none"> MBI: Protecting intellectual property rights in China
<p>Class Day 5 January 9 Thursday Quiz-4 (LSK-1003)</p>	<p>Design and Development: Process</p> <ul style="list-style-type: none"> Process choices and facility layout decisions <p>For discussion:</p> <ul style="list-style-type: none"> “Managing sustainable global supply chains”
<p>Class Day 6 January 10 Friday Quiz-5 (LSK-G001) (Assignment 1 due today before class)</p>	<p>Supplies and Sourcing</p> <ul style="list-style-type: none"> Managing the supply process and supplier relationship Supplier certification and standards HR practices, ethical sourcing and supplier selection <p>Case Discussion</p> <ul style="list-style-type: none"> Esquel Group: Value innovation through sustainable supply chain

<p>Class Day 7 January 13 Monday Quiz-6 (LSK-G001)</p>	<p>Synchronization Issues</p> <ul style="list-style-type: none"> Managing the move process Global logistics, transportation, and supply chain management <p>Case Discussion</p> <ul style="list-style-type: none"> KTZ Express: Operating the largest dry port in the world
<p>Class Day 8 January 14 Tuesday Quiz-7 (LSK-1003)</p>	<p>Value-Added Transformation</p> <ul style="list-style-type: none"> Managing the make process: Manufacturing Labor practices and work conditions <p>For discussion:</p> <ul style="list-style-type: none"> "Division of labor"
<p>Class Day 9 January 15 Wednesday Quiz-8 (LSK-1003)</p>	<p>Major Business Control Issues: Inventory and Quality</p> <ul style="list-style-type: none"> Impacts of inventory on operational and financial performance ABC inventory classification, inventory turns, and cycle counting Quality control and management <p>For discussion:</p> <ul style="list-style-type: none"> Real cost of poor quality and product recalls
<p>Class Day 10 January 16 Thursday Quiz-9 (LSK-G003)</p>	<p>Lean and Green Business Practices</p> <ul style="list-style-type: none"> Just in time manufacturing Best practices in managing demand, capacity, inventory, and resources Circular economy <p>For discussion:</p> <ul style="list-style-type: none"> "The high price of materialism" (https://www.youtube.com/watch?v=oGab38pKscw) "E-waste" (http://www.pbs.org/newshour/updates/america-e-waste-gps-tracker-tells-all-earthfix/) <p>Marketing and Distribution</p> <ul style="list-style-type: none"> Customer management and life time value Managing the sell process and retail operations Business growth without an increasing consumerism?
<p>Class Day 11 January 17 Friday Quiz-10 (LSK-G001) (Assignment 2 due today before class)</p>	<p>Becoming a Social Business</p> <ul style="list-style-type: none"> Revisit the question, "What is the real purpose of business?" <p>For discussion:</p> <ul style="list-style-type: none"> "The trap of materialism" (https://www.youtube.com/watch?v=DtwXryPNciM) "Greenwashing" (https://www.youtube.com/watch?v=nys5TaGGkRk) <p>Case Discussion</p> <ul style="list-style-type: none"> TWB: Alternative paths to creating social impact
<p>Class Day 12 January 20 Monday</p>	<p>Final Exam (Online)</p>

WRITTEN ASSIGNMENTS

General information:

While there is no page limit for the case analysis, it should be one to two pages long, single spaced between lines but double spaced between paragraphs. *Please note that all written assignments will be checked by Turnitin for plagiarism. Penalty will be imposed for any submission with a high similarity score.* To avoid receiving a high similarity score, please do not copy and paste the case assignment questions or extensive use of exact wordings in the case.

For each case, a list of suggested questions is given (below) but you don't need to follow them exactly. You can organize your answer any way you think best. Make sure your analysis is concise (use of bullet points for the answers is allowed) and avoids repeating information that already given in the case. A submission link is provided in Canvas for you to upload the analysis. Late assignment will not be accepted unless it is accompanied by a valid (e.g., medical) excuse.

Assignment 1: Esquel

Due before class

- (a) How could Esquel achieve their ambitious sustainability, people, and community-oriented objectives in a highly competitive industry when most of its competitors were using a low cost production strategy?
- (b) What were the objectives of the Integral project for Esquel to achieve and how could it be financially viable and ultimately add value to Esquel?
- (c) What were the long term (5-10 years) tangible and intangible benefits for Esquel to embrace the planned workforce transformation (through increased automation and upgraded worker skill)?

Assignment 2: TWB

Due before class

- (a) In what ways do social enterprises differ from traditional non-profit organizations or not-for-profit corporations?
- (b) How might the legal structure (e.g., sole proprietorship, limited liability company, and social enterprise) of TWB in Hong Kong affect its relationships with the two major stakeholders – its key suppliers (in China) and beneficiaries (in India)?
- (c) What would you recommend Joseph on the decision of which business entity registration to adopt in Hong Kong? How could this particular business entity ultimately help align TWB's mission, strategy, operations, and outcomes to attain the double bottom line impact (i.e., financial and social impact) it intended?

Grading Criteria and Rubrics for Case Analysis

Name: _____

Evaluation summary (20 points each for each criterion for a total of 100 points per case)

Scoring rubrics	Well exceed expectation (19-20)	Exceed expectation (17-18)	Meet expectation (12-16)	Below expectation (0-11)	Score
Identification of the main issues and/or problems	Identify and understand completely all the main issues and problems	Identify and understand most of the main issues and problems	Identify and understand some of the main issues and problems	Identify and understand only few of the main issues and problems	
Analysis of the issues	Insightful and thorough analysis of all the issues	Thorough analysis of most of the issues	Superficial analysis of some of the issues	Incomplete analysis of the issues	
Comments on effective solutions or business practices	Well identified, reasoned and appropriate comments or proposal on solutions to all issues	Appropriate, well thought-out comments on solutions or proposal for solutions to most issues	Superficial and/or inappropriate solutions to some of the issues	Little or no action suggested, and/or inappropriate solutions to the issues	
Connection to theoretical frameworks or concepts	Effectively integrate other sources of knowledge and make insightful connections	Appropriate connections between most of the issues in the case and relevant theory	Appropriate connections between some of the issues in the case and relevant theory	Little or no connection between the issues in the case and relevant theory	
Use of language	Free of any grammatical or spelling error; good choice of words	A few grammatical or spelling errors; should have better choice of words	Some grammatical or spelling errors	Lots of grammatical or spelling errors	
<p>Total: Use the following ranges to reflect the overall performance. 96-100 (exceptional report writing and extremely effective); 90-95 (very good report writing and very effective); 80-89 (good and effective); 70-79 (acceptable and somewhat effective); 69 or below (weak and not effective).</p>					

