



ISOM 1700 Critical Issues in Business Operations Summer 2012

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.

Summer 2012

L1: 2:30 – 5:20 p.m. M-Th in Room 4333 (Lift 3)

INSTRUCTOR: Prof. Ronald S. Lau (rlau@ust.hk)
Office: Room 4417 (Lifts 17-18)
Phone: 2358-8348
Office hours: 1:00 p.m. – 2:30 pm M-Th or by appointment

TEACHING ASSISTANT: Elvis Lee (imelvis@ust.hk)
Office: Room 4351 (Lift 17-18)
Phone: 2358-8543

TEXTS: Notes and other learning materials are posted on LMES

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

Participation	20
Written assignments (2)	20
Final Exam	<u>60</u>
Total	100

Note: Your participation points, for the period June 18 to July 11, are primarily determined by in-class exercises (max 1 point each). You can earn additional participation points through the active use of discussion board at LMES. Points will be awarded according to the relevance, quality, and pattern of your posting on discussion board (max 1 point each). The maximum participation points will be 2 points per class day and 20 points for the term. Postings made during the weekend and public holiday (considered as a "special" class day) are counted toward Friday. You are allowed to use an A-4 size paper with notes on it (i.e., the cheat sheet) for the exam. To ensure you have adequate time to prepare this cheat sheet, you are advised to organize your notes throughout the term.

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:

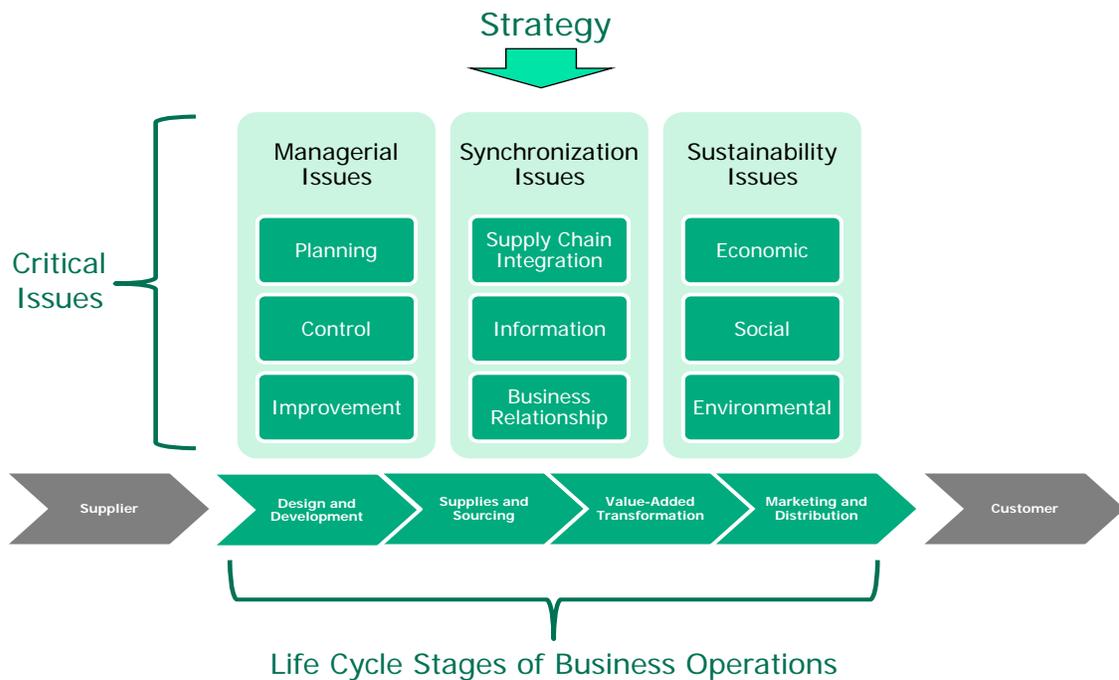
This course is designed in such a way that, after completing it, you will be able to:

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 (see <http://www.ust.hk/vpao/integrity/> for more information). Zero tolerance is shown to those who are caught cheating on the assignments or exam. Any act of cheating in this course will result in a XF grade for the 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.

COURSE MAP:



<p>Day 1 (Mon) June 18</p>	<p>Introduction and Sustainability Issues</p> <ul style="list-style-type: none"> • Strategic roles of business operations in achieving sustainable competitive advantages • Concepts of “triple bottom line”: Profit, People, and Planet <p>Pre-class preparation:</p> <ul style="list-style-type: none"> • Read “Chapter 1: Introduction to Managing Operations Across the Supply Chain”
<p>Day 2 (Tue) June 19</p>	<p>Strategy</p> <ul style="list-style-type: none"> • From business strategy to operations and supply chain strategy • Turning strategy into action: Strategic models that drive performance <p>Pre-class preparation:</p> <ul style="list-style-type: none"> • Read “Chapter 2: Operations and Supply Chain Strategy” • Read “Which Strategy When?” • Read “Balanced Scorecard”
<p>Day 3 (Wed) June 20</p>	<p>Managerial Issues</p> <ul style="list-style-type: none"> • Strategic vs. operational level planning and control • Benchmarking for improved performance <p>Pre-class preparation:</p> <ul style="list-style-type: none"> • Read “Tim Cook: The Genius Behind Steve Jobs at Apple”
<p>Day 4 (Thu) June 21</p>	<p>Design and Development: Product</p> <ul style="list-style-type: none"> • 4D’s in product and process innovation: Discovery > Design > Development > Deployment <p>Pre-class preparation:</p> <ul style="list-style-type: none"> • Read “RIP, TouchPad. Can any non-iPad Tablet Survive Ever?” • Read “How Sustainability Fuels Design Innovation?”
<p>Day 5 (Mon) June 25</p>	<p>Design and Development: Process</p> <ul style="list-style-type: none"> • Process choices and facility layout decisions • Process design and reengineering <p>Pre-class preparation:</p> <ul style="list-style-type: none"> • Read “China’s Accession to the WTO: Impacts on China”
<p>Day 6 (Tue) June 26</p>	<p>Supplies and Sourcing</p> <ul style="list-style-type: none"> • Managing the supply process and supplier relationship • Impacts of globalization and outsourcing on business operations • HR practices, ethical sourcing and supplier selection <p>Pre-class preparation:</p> <ul style="list-style-type: none"> • Read “Sustainable Procurement”

Day 7 (Wed) June 27	Synchronization Issues <ul style="list-style-type: none"> Managing the move process Global logistics, transportation, and supply chain management
Day 8 (Thu) June 28	Value-Added Transformation <ul style="list-style-type: none"> Managing the make process: Manufacturing Labor practices and work conditions
Day 9 (Tue) July 3	Control: Inventory <ul style="list-style-type: none"> Impacts of inventory on operational and financial performance ABC inventory classification, inventory turns, and cycle counting <p>Pre-class preparation:</p> <ul style="list-style-type: none"> Read "Excess Inventory"
Day 10 (Wed) July 4	Control: Quality <ul style="list-style-type: none"> Quality control and management Real cost of poor quality and product recalls
Day 11 (Thu) July 5	Improvement <ul style="list-style-type: none"> Just in time manufacturing Lean and green OM: Best practices in managing the demand, capacity, inventory, and resources <p>Pre-class preparation:</p> <ul style="list-style-type: none"> Read "What Really Happened to Toyota?"
Day 12 (Mon) July 9	Marketing and Distribution <ul style="list-style-type: none"> Customer management and life time value Managing the sell process and retail operations <p>Pre-class preparation:</p> <ul style="list-style-type: none"> Read "The Customer Lifetime Value Equation: Will It Pay Off for Tech Companies?"
Day 13 (Tue) July 10	Social Enterprises and Their Operations
Day 14 (Wed) July 11	Class Review
Day 15 (Thu) July 12	Final Exam (Venue to be determined)