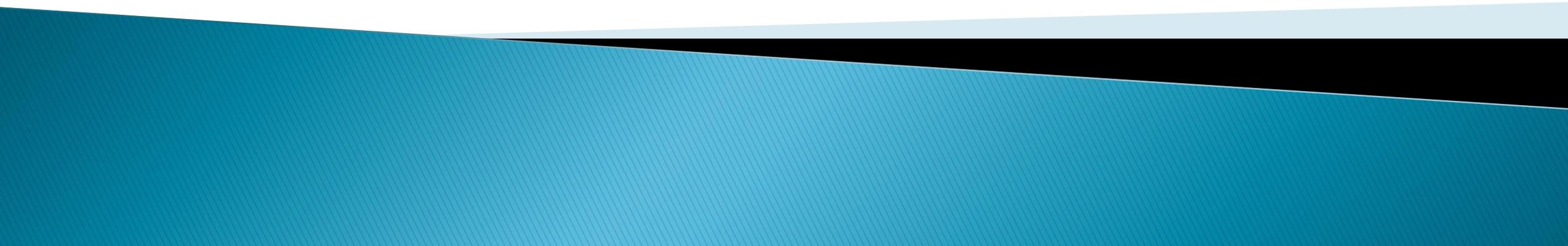


Unit 15: Managing Business Activities for Achieving Results

Lesson 5

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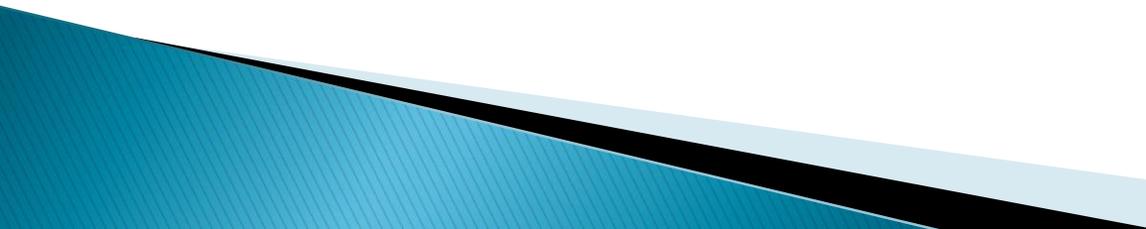
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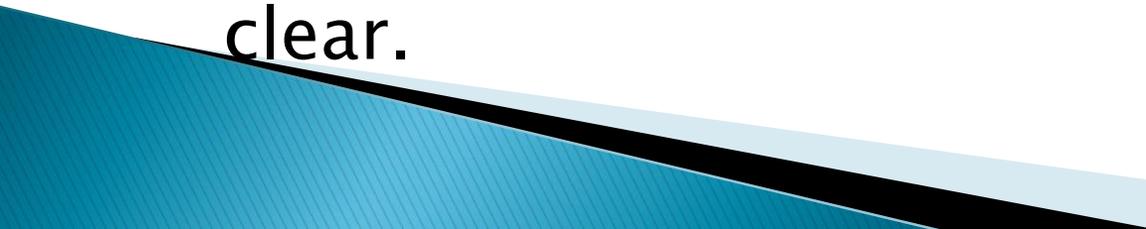
Learning Outcome 2

- ▶ Be able to develop plans for own area of responsibility to implement operational plans:
 - AC 2.1 design plans which promote goals and objectives for own area of responsibility
 - AC 2.2 write objectives, which are specific, measurable, achievable, realistic and timebased to align people and other resources in an effective and efficient way
 - AC 2.3 implement appropriate systems to achieve objectives in the most efficient way, on time, to budget and meeting organisational standards of quality
 - AC 2.4 carry out work activities meeting the operational plan through effective monitoring and control

In This Session

- ▶ LO2 Be able to develop plans for own area of responsibility to implement operational plans:
 - AC 2.3 Implement appropriate systems to achieve objectives in the most efficient way, on time, to budget and meeting organisational standards of quality
 - ▶ Assessment Criteria
 - ▶ Review Questions
 - ▶ References
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INTRODUCTION

- ▶ In many cases, the implementation of Operational Plans are not implemented by the developers of the plan, however, it is still essential that the plan is implemented according to design, budgets, timeframe and quality. To implement a plan, the implementer must have access to the documented plan and can be assisted by using project management principles.
 - ▶ According to Hussein (2007) these documents serve as the foundation of project planning, compliance and monitoring of project activities.
 - ▶ There should be an implementation strategy which should be clear.
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PRODUCT AND SERVICE SPECIFICATIONS AND STANDARDS

- ▶ Having established the specification for your business process in the quality gateways, implementation must ensure that all goods and services meet the required specification and standards.
 - ▶ “A quality audit is a structured, independent process to determine if project activities comply with organizational and project policies, processes, and procedures (PMI, 2008).”
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Quality Audit

- ▶ The objectives of a quality audit may include:
 - Identify all good and best practices being implemented;
 - Identify all nonconformity, gaps, and shortcomings;
 - Share good practices introduced or implemented in similar projects in the organization and/or industry;
 - Proactively offer assistance in a positive manner to improve implementation of processes to help the team raise productivity; and
 - Highlight contributions of each audit in the lessons learned repository of the organization.”

Statistical Process Control (SPC)

- ▶ SPC is an industry-standard methodology for measuring and controlling quality during the manufacturing process (infinityqs.com, 2016). Quality data in the form of Product or Process measurements are obtained in real-time during manufacturing. This data is then plotted on a graph with pre-determined control limits.
- ▶ With real-time SPC you can:
 - Dramatically reduce variability and scrap
 - Scientifically improve productivity
 - Reduce costs
 - Uncover hidden process personalities
 - Instantly react to process changes
 - Make real-time decisions on the shop floor

HUMAN RESOURCES AND OTHER RESOURCES

- ▶ In the executing HR Process, there are three activities to consider:
 - **Acquire Project Team:** confirm HR availability and obtaining the team necessary to complete activities.
 - **Develop Project Team:** improving competencies, team member interaction, and overall team environment to enhance project performance.
 - **Manage Project Team:** tracking team member performance, providing feedback, resolving issues, and managing changes to optimize project performance.
- ▶ In implementing, the team conduct procurements to obtain seller responses, selecting a seller, and awarding a contract for goods and services – machines, equipment, raw materials and other supplies needed for the execution of the plan.

IMPLEMENTING ACCORDING TO TIMELINE

- ▶ Having agreed your the activities and timelines, one must seek to implement according to the Action Plan. Use the following to assist in compliance:
 - Network diagram which indicates dependencies and sequence
 - Activity schedule
 - Estimate activity duration
- ▶ Just in time (JIT) inventory is a management system in which materials or products are produced or acquired only as demand requires (Kokemuller, n.d.). Just in time inventory is intended to avoid situations in which inventory exceeds demand and places increased burden on your business to manage the extra inventory.

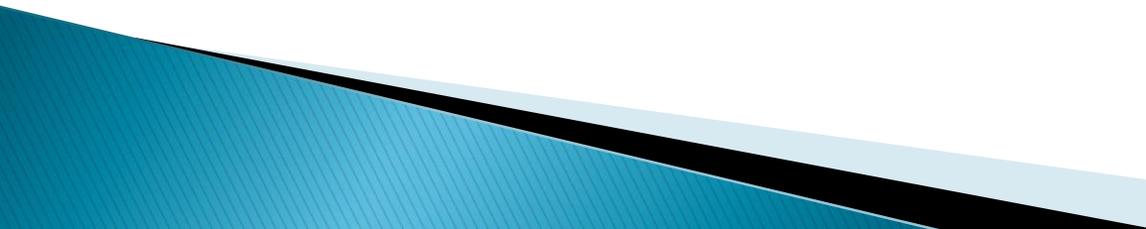
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COST OBJECTIVES

- ▶ Developing the project budget is a process for allocating administered and departmental funds necessary to build a financial foundation for producing stated deliverables (McConnel, 2011).
- ▶ For successful implementation of the operational plan, the Operation Manager should effectively estimate costs, track expenditure over time and adequately react to situations when the financial resources are over-spent or under-spent, or there are opportunities for savings in the project budget.

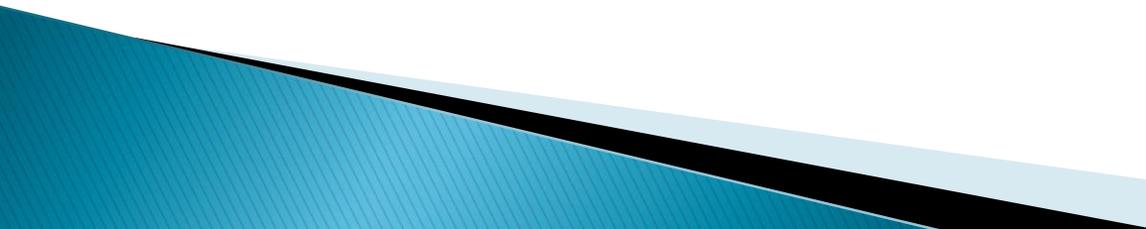
Communication Management

- ▶ In implementing, the team must Manage Communications – create, collect, distribute, store, retrieve, and the ultimate disposition of information in accordance with the communications management plan.
 - ▶ Manage Stakeholder Engagement – communicating and working with stakeholders to meet their needs/ expectations, address issues as they occur, and foster appropriate stakeholder engagement in activities throughout the implementation of the operational plan.
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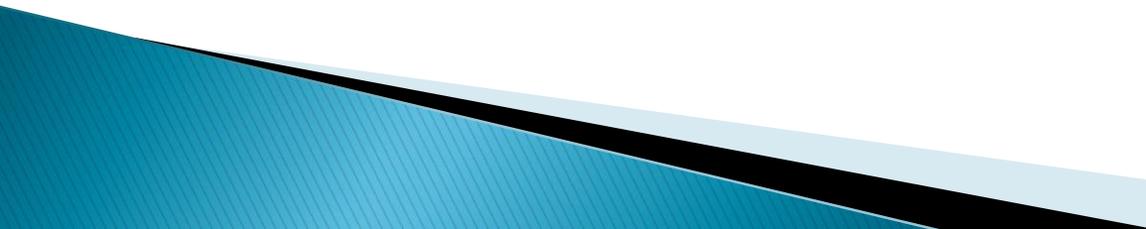
Management and Coordination of the OP

- ▶ According to World Bank (2009) successful operational planning depends on the technical and financial resources to coordinate the planning and implementation of the OP process. A management and advisory structure needs to be established, terms of reference defined, and specialized expertise contracted (especially in areas such as costing and information technology).
 - ▶ Good governance practices are also essential in the management process, including a focus on successful coordination, information flow, transparency, and accountability.
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Organisational constraints and limitations

- ▶ Beukes (2012) notes that there are certainly many barriers to innovation in organisations – people, culture, shareholders to name a few – and varying ways in which to be innovative.
 - ▶ Beukes (2012) further notes that, how an organisation chooses to innovate is contingent on a range of external and internal factors. And also its strategic, longer-term vision of what the future holds.
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Conclusion

- ▶ The management of operation planning process while very important, it is equally important that the implementation of the plan is managed appropriately.
 - ▶ It is important that the responsibility for implementation is taken serious. Implementers should consider:
 - the capacities of the human resources needed
 - The physical resources required and the budgetary allocation
 - Quality and cost that is require to satisfy the needs of the stakeholders
 - Communicating with the various stakeholders for success
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Further readings

- ▶ <http://www.web-books.com/eLibrary/NC/B0/B67/43MB67.html>
- ▶ <http://keydifferences.com/difference-between-strategic-planning-and-operational-planning.html>
- ▶ http://www.dpac.tas.gov.au/___data/assets/pdf_file/0003/228522/Strategic_Operational_and_Planning_Toolkit.pdf
- ▶ <http://www.leoisaac.com/operations/ops001.htm>
- ▶ <http://www.infinityqs.com/resources/what-is-spc>

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- ▶ Beukes, Fiona (2012) Bounded Innovation – the limitations of organisational reality retrieved from <https://openbusinessperspectives.com/tag/organisational-constraints/>
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- ▶ Kokemuller, Neil (n.d.) Just In time Definition retrieved on October 7, 2016 from <http://smallbusiness.chron.com/just-time-inventory-definition-23475.html>
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