Introduction

OPS 370
Service Update

Updated Tuesday, December 24, 2013

UPS understands the importance of your holiday shipments. All of our drivers are out making deliveries throughout the day and into the evening. The volume of air packages in our system exceeded the capacity of our network as demand was much greater than the forecast, resulting in some shipments being delayed. We expect a vast majority of these packages will be delivered the day after Christmas. We sincerely apologize for any inconvenience. For the most-up-to-date information, click here to track your specific shipment's progress or UPS.com.

U.S. Inaction Lets Look-Alike Tubes Kill Patients

By GARDNER HARRIS
Published August 20, 2010

Thirty-five weeks pregnant, Robin Rodgers was vomiting and losing weight, so her doctor hospitalized her and ordered that she be fed through a tube until the birth of her daughter. But in a mistake that stemmed from years of lax federal oversight of medical devices, the hospital mixed up the tubes. Instead of making a tube through Ms. Rodgers’s nose and into her stomach, the nurse instead coupled the liquid-food bag to a tube that entered a vein. Putting such food directly into the bloodstream is like pouring concrete down a drain. Ms. Rodgers was seen in agony.

[Image]
What is Operations Management?
Services vs Manufacturing Ops

- Services
- Manufacturing

Service vs. Manufacturing Operations
Similarities-Service/Manufacturing

- Use technology
- Have quality, productivity, & response issues
- Must forecast demand
- Have capacity, layout, and location issues
- Customers and suppliers
- Scheduling and staffing issues

Trends in OM
Why Manufacturing Still Matters…

For the Following Operations…

- What are the Inputs (Resources)?
- Identify the Transformation Taking Place…
- What are the Outputs?
Mercedes Benz

US Pipe Co
Bank

Restaurant
Productivity
Productivity Measures

Productivity
Productivity Example

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th></th>
<th>2009</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cars Sold</td>
<td>Employees</td>
<td>$ Mat'l $</td>
<td>Cars Sold</td>
</tr>
<tr>
<td>Chairman Motors</td>
<td>65,000</td>
<td>17.8</td>
<td>34.5</td>
<td>68,000</td>
</tr>
<tr>
<td>Cookie Cars</td>
<td>53,000</td>
<td>12.3</td>
<td>27.7</td>
<td>49,000</td>
</tr>
<tr>
<td>Riley Auto</td>
<td>94,000</td>
<td>18.8</td>
<td>41.2</td>
<td>111,000</td>
</tr>
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*Assume Costs in Millions of $*

- What are the Inputs and Outputs?
- Labor Productivity Values (2009)?

Productivity Example

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- Total Productivity Values (2009)?
  - Chairman:
  - Cookie:
  - Riley:
Productivity Example

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• % Change in Total Productivity from ‘09-’10?
  – Chairman:
  – Cookie:
  – Riley: