

Nature of operations strategy

-major decisions about, and strategic management of : core competencies, capabilities and processes; technologies; resources; and key tactical activities necessary in any supply network, in order to create and deliver products or services and the value demanded by a customer. The strategic role involves blending these various "building blocks" into one or more unique, organization specific, strategic architectures.

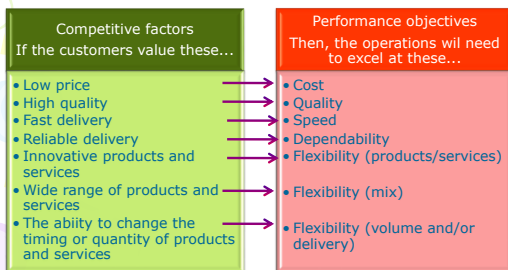
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Market Requirements and Operations Resources Perspectives of Operations Strategy



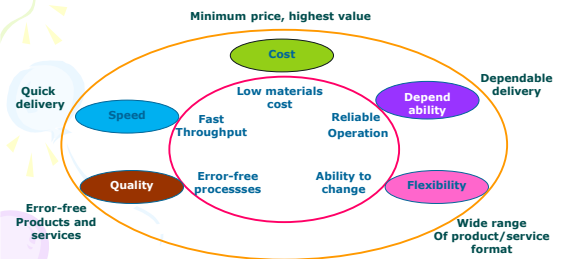
Operations strategy reconciles the requirements of the market with the capabilities of operations resources

Different competitive factors imply different performance objectives

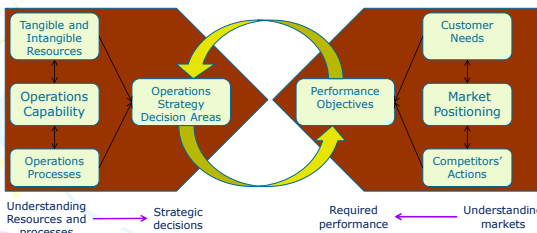


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Five Performance Objectives in Operations



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Operations strategy is the strategic reconciliation of market Requirements with operations resources

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Supply Chain Strategy

- The total pattern of strategic actions and decisions throughout the supply chain that reconcile the demand from the end customers and the capabilities of resources within the supply chain

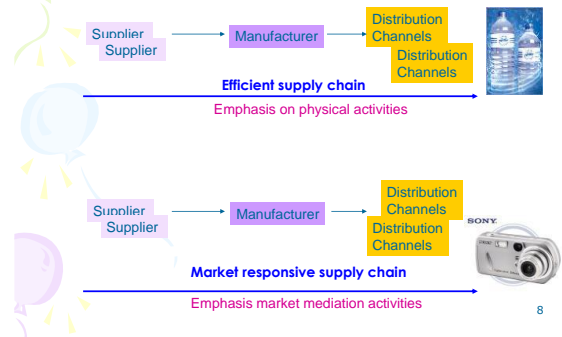
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Different Product Characteristics



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SC Strategies



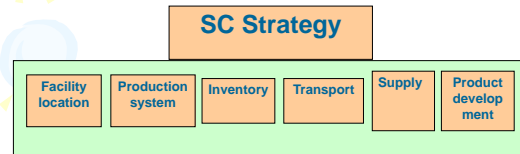
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Product Types (Reflect Market Requirements)

Aspek	Fungsional	Inovatif
Siklus hidup	Panjang, bisa lebih dari 2 tahun	Pendek, antara 3 bulan sampai 1 tahun
Variasi per kategori	Sedikit, 10 – 20 variasi	Banyak, bisa mencapai ribuan
Volume per SKU	tinggi	rendah
Peramalan permintaan	Relatif mudah, akurasi tinggi	Sangat sulit, kesalahan ramalan tinggi
Tingkat kekurangan produk (stockout rate)	Hanya 1% - 2%	Bisa sampai 10% - 40%
Kelebihan persediaan di akhir musim jual	Jarang karena musim jual sangat panjang	Sering terjadi
Biaya penurunan harga jual (markdown)	Mendekati 0%	10 – 25%
Marjin keuntungan per unit yang terjual dengan harga normal	rendah	tinggi

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Elements of SC Strategy



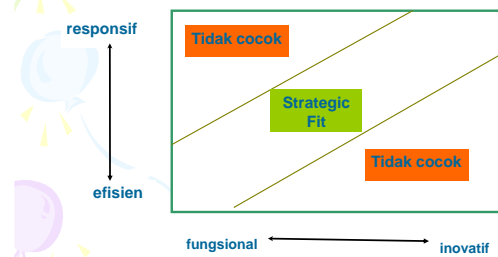
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Two Distinctive SC Strategies (reflect resource consolidation)

Keputusan taktis	Efisien	Responsif
Lokasi fasilitas	Tempatkan pabrik di negara yang ongkos tenaga kerjanya murah.	Cari lokasi yang dekat pasar, punya akses tenaga terampil dan teknologi yang memadai
Sistem produksi	Tingkat utilitas sistem produksi harus tinggi	Sistem produksi harus fleksibel dan ada kapasitas ekstra
Persediaan	Perlu upaya meminimasi tingkat persediaan	Diperlukan persediaan pengaman yang cukup di lokasi yang tepat
Transportasi	Pengiriman TL / CL atau subkontakkan ke pihak ketiga	Diperlukan transportasi cepat. Bila perlu tetapkan kebijakan LTL / LCL
Pasokan	Pilih supplier dengan harga dan kualitas sebagai kriteria utama	Pilih supplier berdasarkan kecepatan, fleksibilitas, dan kualitas
Pengembangan produk	Fokus ke minimasi ongkos	Gunakan modular design dan tunda differensiasi produk sebisa mungkin (postponement)

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Strategic Fit



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Hau L.Lee

ALIGNING SUPPLY CHAIN STRATEGIES WITH PRODUCT UNCERTAINTIES

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FIGURE 2. Supply Characteristics

Stable	Evolving
Less breakdowns	Vulnerable to breakdowns
Stable and higher yields	Variable and lower yields
Less quality problems	Potential quality problems
More supply sources	Limited supply sources
Reliable suppliers	Unreliable suppliers
Less process changes	More process changes
Less capacity constraint	Potential capacity constrained
Easier to changeover	Difficult to changeover
Flexible	Inflexible
Dependable lead time	Variable lead time

• Diambil dari Lee, Hau, 2002, Aligning Supply Chain Strategy, California Management Review Vol.44 no.3

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The Uncertainty Framework : Example

		Demand Uncertainty	
		Low (Functional Products)	High (Innovative Products)
Supply Uncertainty	Low (Stable Process)	Grocery, basic apparel, food, oil and gas	Fashion apparel, computers, pop music
	High (Evolving Process)	Hydro-electric power, some food produce	Telecom, high-end computers, semiconductor

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Matched Strategies

		Demand Uncertainty	
		Low (Functional Products)	High (Innovative Products)
Supply Uncertainty	Low (Stable Process)	Efficient supply chains	Responsive supply chains
	High (Evolving Process)	Risk-hedging supply chains	Agile supply chains

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The Four Strategies

- **Efficient** → to achieve high cost efficiencies in the SC (removing non-value added activities, increasing economies of scale, etc)
- **Risk Hedging** → pooling and sharing resources in the SC
- **Responsive** → responsive and flexible to changing and diverse customer demands (use BTO and Mass Customization – but requires modular design of components)
- **Agile** → responsive and flexible to customer needs while the risk of supply shortages or disruptions are hedged by pooling inventory or other capacity resources

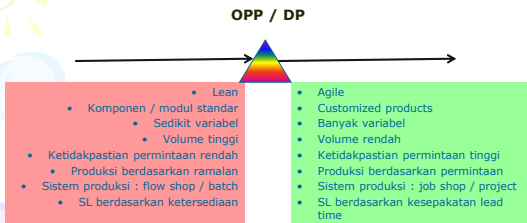
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Decoupling Point Strategy

- A point where to deploy inventory to buffer against uncertainty
- A point where products are customised according to customer orders
- A point where activities can be done (based on forecast) prior to receiving customer orders

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Before and After DP / OPP



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Differences In DP / OPP Strategies

	perancangan produk	fabrikasi	perakitan	pengiriman
MTS				▲
ATO			▲	
MTO		▲		
ETO	▲			

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Moving DP/OPP Backward/Forward

- What would be the implications on :
 - Inventory levels?
 - Lead times?

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Any Question????

