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An Overview of Operation Strategy

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ABSTRACT: In the globalized world, corporations are seeking new organizational methods to guarantee global market performance. Operational strategies direct the practices of a business, which manufactures and distributes products and services. The corporate plan is a gateway to a company in an ever evolving environment, and both are crucial to a company's competitiveness. Operations management practitioners can maximize the usage of capital, staff, procedures and technologies with an optimal ops approach. Operations could also play a part in the design, plant and design of goods, as well as development and sales forecasts. An organizational strategy should direct the structural decisions and the growth of operational capacities required to achieve the business as a whole's desired competitive position. This study paper addressed the main facets of the operational strategy.

KEYWORDS: Cost priority, Cost management, Delivery priority, Flexibility, Operation strategy

I. INTRODUCTION

The definition of organizational strategy proved to be a contradiction for years. The policy is broad, long-term, and systematic and is of the uppermost management's concern. On the other hand, activities are comprehensive, complicated, coping with everyday challenges and conducted by many to the lower levels of the organization. However, this should be confused with operations. In reality, action is the opposite of strategic operation[1]. Yet companies are the means to build services and goods that suit the needs of the consumer. Yet, arguably, the evolution of a simple growth plan for operations has been disrupted by what appears to be a semantic discrepancy. The importance of operational administration to the policy and, above all, the huge capacity that the practices have to have sustained competitive advantage are profoundly overlooked by academics and practitioners who think the operational analysis is restricted to operational problems[2].

Fortunately there is a rapid decrease in the number of academics committing this error. The number of powerful and increasingly well-articulated arguments which demonstrate how companies lead to strategic success. Most scientists have been persuaded that the organizational approach is most significant. However, there are many professionals and many organizations who do not or may also be persuaded of this claim. At least partly, this must be viewed as an academic operations plan disaster. Therefore, while the interest in the market strategic field is substantially growing, it is worth at least wondering if it would have had an even bigger impact[3].

If the ideas and models of organizational strategy, especially amongst practitioners, are not commonly recognized, some of the reasons should be considered. One might argue, for example, that an understanding of organizational planning remains vague either on what "operations" are or exactly how operations can be strategic. This study paper explores the significance and facets of the organizational approach.

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II. LITERATURE REVIEW

Mainly from the groundbreaking work in Organizational Planning Theory (Skinner, 1969). As a comparatively recent area of study, the bulk of the standard terminology and organizational are barely agreed. From Slack's view, the administration of operations takes policy decisions on operational undertakings. The strategy of production is to determine whether the strategy of production should strive to reduce costs or to priorities other production qualities such as efficiency, versatility or customer option. Operational strategies are however established with regard to strategic goals, including expense, efficiency and execution. Many scholars have applied the idea of strategic goals differently[4]. Price, efficiency, execution and flexibility are the widely accepted facets of organizational strategies. While competition goals have been widely settled on, some analysts still recommend additional focus areas such as innovation and service and time and technical advantage. But most observational analysis highlights the four essential capabilities: cost, efficiency, versatility and execution. We use strategic goals, expense, efficiency, distribution and versatility widely used in science[5]. These are all examined briefly below.

1. Cost Priority:

Competitors with a poor output rating should adopt a missed expense approach to minimize costs and waste the least money available. This helps a low-cost approach to boost product/service demand and thus raise revenue and earnings. But cheaper costs may also reduce the profit margin, as goods/services cannot be manufactured at a lower cost if they remain the same technology. Moreover, minimizing the costs requires an operations manager to assess any element of cost such as jobs, supplies, overheads and processes[6].

2. Quality Priority:

In terms of achieving competitive advantage, consistency is considered the key of all goals. Value to satisfy consumer expectations and to comply with requirements. That is the service received relative to the standards of the consumer depending on the interpretation or appraisal of the customer[7]. The acceptance or rejection of the product / service standard decides the fulfillment or exceeding the consumer specifications. Value methods are directed at cost savings and waste management. Different scholars have defined multiple dimensions that can turn each dimension into a competitive advantage.

3. Delivery Priority:

For several businesses distribution was the leading player in the ranking. Supply is dependent on availability, reliability, speed and convenience. For example, you interpret the distribution strategy as 'trustworthiness in response to customer orders in a demanded or promised delivery schedule. Likewise, three distribution elements: efficient delivery, speed, delivery of new goods. Similarly, two distribution elements: quickly and stable. Living as a time concern and states the following: quick/speed availability, efficient distribution and the speed of product/service upgrades. The degree of emphasis imposed by increasing deliverability or delivery speed is contingent on delivery efficiency[8].

The literature review shows somewhat ambiguous findings about the relation between priority execution and organizational success. The advocates of supportive partnerships are relatively different from the opposition sides. 43 small companies have shown that businesses with a low cost structure and innovation, along with an emphasis on delivery, have outperformed their rivals as operating strategy[9]. Similarly, a close correlation between priority execution and organizational success has been found in a study. Relationship development and execution, however, were found to be important, but linked to business results.

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4. Flexibility:

The idea of flexible factories has developed from Skinner's concept of a concentrated factory (1969). Several practitioners and researchers have concentrated on versatility, as manufacturing flexibility can become a competitive advantage. Flexibility as the ability to quickly switch between items and pieces. Therefore, versatility helps an organization to handle environmental vulnerability. Flexibility as a company's willingness, through its management of uncertainties and capital, to satisfy and meet consumer needs. Studies on the connection between versatility and efficiency also increased the mistaken existence of the relationship between both principles[10]. For example, the versatility and performance of production in the paper industry did not have any major impact in research. Similarly, a positive link between output versatility and efficiency in an unsecure setting has not been identified by any studies. Interestingly, a negative link was observed in the analysis between priority of versatility and efficiency.

Flexibility does not inherently add to the company's competitiveness and it has an uncertain association between flexibility and efficiency. In other words, there is a balance between different flexibilities in the produce. It is therefore imperative for businesses, especially for small and medium-sized enterprises, to determine upfront what kind of manufacturing versatility needs to be established in conjunction with their market strategy. This link between versatility in development and market strategy is important, as its incongruity can be counterproductive. For example, the marketing role of an organization cannot capitalize on the advantages of manufacturing versatility.

III. TIPS FOR OPERATIONS STRATEGIES AND TACTICS

Specific strategies depend on your specific business. Here are strategy tips that apply to many companies, whether they are producing goods or services.

- Take a Global View: See how others offer quality goods and services around the world. Study from them to learn how in a key competence you can compete and innovate. Enhance the supply chain by global scrutiny and utilizing global expertise if remote work is an alternative.
- Have a Strong Mission Statement: Focus your efforts with a mission statement that truly defines your goals and guides your business approach. Tie your overall business strategy and operations strategy into it.
- Gain Competitive Advantage with Differentiation: Develop a point of differentiation and a unique value proposition, and consistently innovate and build strategies around them. Don't just use best practices. Exceed them, and leapfrog the competition.
- Gain Insights from a SWOT Analysis: Analyze your company's strengths, weaknesses, opportunities, and threats as a catalyst to strategy.

IV. CONCLUSION

The analysis concludes that cost priority is the competitive priority of choice when it comes to making organizational decision choices; thus execution priority is the competitive priority of the least preferred. However, the second and third order of choice by SMEs is efficiency and distribution priorities. This suggests that consumers in the area are more opening to cost and less concerned with product delivery.

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