

# IB Business Management

## Unit 5: Operations Management – Scheme of Work



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### UNIT 5: OPERATIONS MANAGEMENT

#### UNIT 5: OPERATIONS MANAGEMENT – THEORY OF KNOWLEDGE QUESTIONS

<b>1</b>	Can a business plan for a crisis?
<b>2</b>	Can one make an argument that the more people's needs and wants are met, the more difficult innovation is?
<b>3</b>	Environmental costs of production are often referred to as "externalities" as they harm third parties. How does our formulation of problems affect our sense of responsibility for solving them?
<b>4</b>	Is a quality product always more expensive to manufacture or buy than a mediocre product? How does time perspective affect our assessment of such statements?
<b>5</b>	Is there a difference between a product that consumers perceive to be of good quality and one that businesses know is? What ethical dilemmas does the information advantage businesses have over consumers pose?

Student selection of **ONE question:** 500-word response

#### Conceptual understandings:

- **Change** in operations impacts other business activities
- **Creative** production process can disrupt the market
- Operational business changes may affect its **ethical** stance
- **Sustainability** ensures efficiency in business operations

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### UNIT 5: OPERATIONS MANAGEMENT

Time	Content	Learning activities	Assessment
<b>5.1 Operations methods</b>			
1 week	Explain the role of operations management	Simpson and Smith: Textbook: pp 473-483 PPT presentation and summary notes Textbook questions: Exam style questions, pp 483, Questions 1-10. Videos Flash cards Classroom games – Kahoot! Student focus question – Podcast: Is American manufacturing dead?	IB Business Management: Activities A – C Exam practice question Quizzes Topic Test
	Describe and compare the features and applications of job, batch, line, mass/flow production and mass customisation.		
	Analyse the implications for functional departments that arise from changing the production methods.		
	Discuss the appropriateness of short- or long-term sources of finance for a given situation		
	Analyse the most appropriate method of production for a given situation		
<b>5.2 Lean production and quality management HL</b>			
2 weeks	Outline that lean production methods result in less waste and greater efficiency. <b>HL</b>	Simpson and Smith: Textbook: pp 484-504 PPT presentation and summary notes Textbook questions: Exam style questions, pp 504, Questions 1-10. Videos Flash cards Classroom games – Kahoot! Corus and Leyland Trucks case studies Zurich and BSi case studies	IB Business Management: Activities A – D Exam practice question Quizzes Topic Test
	Explain continuous improvement (kaizen) and just-in-time (JIT) as methods of lean production. <b>HL</b>		
	Explain features of cradle-to-cradle design and manufacturing. HL		
	Explain features of quality control and quality assurance. <b>HL</b>		
	Explain the following methods of managing quality: quality circle, benchmarking, and total quality management (TQM). <b>HL</b>		
	Discuss the impact of lean production and TQM on an organisation. <b>HL</b>		
	Explain the importance of national and international quality standards. <b>HL</b>		

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		Portakabin and Aldi case studies	
	Explain circular supply models – <b>BMT</b>	PPT presentation and summary notes	IB Business Management: Activity A Exam practice question Quizzes Topic Test
	Explain resource recovery models – <b>BMT</b>	Videos	
	Explain product life extension models – <b>BMT</b>	Flash cards	
	Explain sharing models – <b>BMT</b>	Classroom games – Kahoot!	
	Explain product service system models – <b>BMT</b>		

### 5.3 Location

1 week	Explain reasons for a particular production location	Simpson and Smith: Textbook: pp 505-523	IB Business Management: Activities A - E Exam practice question Quizzes Topic Test
	Discuss outsourcing/contracting as a method of restructuring production, both at a national and an international level	PPT presentation and summary notes	
	Discuss offshoring as a method of restructuring production, both at a national and an international level	Textbook questions: Exam style questions, pp 523, Questions 1-10	
	Discuss reshoring as a method of restructuring production, both at a national and an international level	Videos Flash cards	
	Discuss insourcing as a method of restructuring production, both at a national and an international level	Classroom games – Kahoot!	

### 5.4 Break-even analysis

2 weeks	Distinguish between total contribution and contribution per unit	Simpson and Smith: Textbook: pp 524-538	IB Business Management: Activities A - E Exam practice question Quizzes Topic Test
	Use graphical and quantitative methods to calculate the break-even quantity, profit and margin of safety	PPT presentation and summary notes	
	Use these methods to analyse the effects of changes in price or cost on break-even, profit and margin of safety	Textbook questions: Exam style questions, pp 538, Questions 1-10	
	Calculate the required output level for a given target revenue or profit	Videos Flash cards	

	Calculate the break-even target price for a given level of output	Classroom games – Kahoot!	
	Analyse the assumptions and limitations of break-even analysis		
<b>5.5 Production planning HL</b>			
2 weeks	Explain the supply chain process	Simpson and Smith: Textbook: pp 540-567 PPT presentation and summary notes	IB Business Management: Activities A - E Exam practice question Quizzes Topic Test
	Compare just-in-case (JIC) and just-in-time (JIT) stock management systems	Textbook questions: Exam style questions, pp 567, Questions 1-10.	
	Prepare and interpret stock control charts	Videos	
	Determine an organisation's capacity utilisation rate	Flash cards	
	Determine an organisation's defect rate	Classroom games – Kahoot!	
	Determine an organisation's productivity rate	McDonalds and Aldi case studies	
	Determine the cost to buy (CTB) and cost to make (CTM) a product for any organisation		
	Completion and analyses of a critical path diagram (drawing of the diagram is not expected) – <b>BMT HL</b>	PPT presentation and summary notes Videos	IB Business Management: Activities A - D Exam practice question Quizzes Topic Test
	Identification of the critical path – <b>BMT HL</b>	Flash cards	
	Calculation of free and total float – <b>BMT HL</b>	Classroom games – Kahoot!	
<b>5.6 Crisis management and contingency planning HL</b>			
1 week	Distinguish between crisis management and contingency planning <b>HL</b>	Simpson and Smith: Textbook: pp 568-576 PPT presentation and summary notes	IB Business Management: Activity Exam practice question Quizzes Topic Test
	Explain how transparency, communication, speed and control contribute to effective crisis management <b>HL</b>	Textbook questions: Exam style questions, pp 576, Questions 1-10.	
	Explain how cost, time, risks and safety need be evaluated by an organisation in its contingency planning <b>HL</b>	Videos Flash cards	

		Classroom games – Kahoot!	
<b>5.7 Research and development HL</b>			
1 week	Discuss the importance of research and development (R&D) for a business <b>HL</b>	Simpson and Smith: Textbook: pp 578-587	IB Business Management: Activity A Exam practice question Quizzes Topic Test
	Explain the importance of developing products that meet the needs of customers (of which the customers may or may not be aware) <b>HL</b>	PPT presentation and summary notes	
	Distinguish between incremental and disruptive innovation <b>HL</b>	Textbook questions: Exam style questions, pp 587, Questions 1-10.	
	Explain intellectual property protection; copyrights, patents, trademarks <b>HL</b>	Videos Flash cards Classroom games – Kahoot!	
<b>5.8 Management information systems HL</b>			
1 week	Explain data analytics and databases	Simpson and Smith: Textbook: pp 588-605	IB Business Management: Activity A Exam practice question Quizzes Topic Test
	Explain cybersecurity and cybercrime	PPT presentation and summary notes	
	Explain critical infrastructures, including artificial neural networks, data centres, cloud computing, augmented reality, the internet of things, artificial intelligence, big data	Textbook questions: Exam style questions, pp 605, Questions 1-10.	
	Evaluate customer loyalty programmes	Videos	
	Discuss the use of data to manage and monitor employees; Digital Taylorism	Flash cards	
	Discuss the use of data mining to inform decision-making	Classroom games – Kahoot!	
	Discuss the benefits, risks and ethical implications of advanced computer technologies on business decision-making and stakeholders		
<b>Formative Assessment:</b>			
Unit 5: Operations management – Formal assessment <b>test</b>			