Teaching ‘Responsible Operations’

A webinar by Nigel Slack, Alistair Brandon-Jones and Nicola Burgess
Teaching ‘Responsible Operations’ - Some issues

How much ‘responsible’ content vs. core OM?

How to position responsible operations within an OM course?

How to use the responsible operations features in the texts?

How to use the ‘boxed examples’ as responsible operations learning exercises

The FareShare case study
What do we mean by ‘Responsible Operations’ performance?

We use the conventional ‘triple bottom line (TBL)’ framework

People
Well-being of all stakeholders

Planet
Welfare of the natural environment

Profit
Financial sustainability and returns

Bearable
Equitable
Sustainable
Viable

But it is important to put it in the context of ethical behaviour for dealing with trade-offs

Also – should we include counter-views?
How to position ‘Responsible Operations’ within an OM course?

At a course/unit level

From ....

To ....

To ....

To ....

OM topics
Sustainability topics
Why are we emphasizing responsible operations?

- Responsible issues are clearly important and urgent
- Operations practice directly impacts responsible performance
- Investors are taking increasing notice of responsible performance
- Responsibility is fashionable!
- Our students are increasingly committed to responsible performance
There seems to be a wide range of responses to ‘How much weight to give the topic?’

“I always start my course with an Ocean scientist talking about the reality of global warming. It sensitizes students to environmental issues.”

“No, I try not to get into all that [sustainability]. It only detracts from ‘core’ OM issues and techniques.”
Treating the relationship between operations practice and responsibility

Responsible Operations

What trade-offs responsible operations imposes on operations practice

How operations practice impacts responsible performance

Responsibility

Operations management
Using the trade-off concept in ‘Responsible Operations’

Lego isn’t giving up on oil-free bricks, despite sustainability setback
Lego pledged to eliminate petroleum-based materials from its products by 2030. Reality has proven to be more complicated

“We tested hundreds and hundreds of materials. It’s just not possible to find a material like that”

Diaz J (2023) Lego pledged to eliminate petroleum-based materials from its products by 2030. Reality has proven to be more complicated, Fast Company, 26 Sept.
For the following two enterprises, suggest possible activities at each of the levels of the Carroll pyramid that would demonstrate their commitment (omit the base level if you want).

A **video game publisher** that commissions games from independent games studios and streams the finished games through its own and others’ websites.

A **manufacturer of potato-based snacks** that has several of its own brands of snack and also manufactures some supermarkets’ own-brand products.
In Chapter 1 we suggest 3 reasons why firms want their operations to be socially responsible.

- Because they are altruistic – it’s a good thing to do.
- Because social responsibility and operations management objectives coincide.
- Because social responsibility provides other business benefits.
Using the ‘Responsible Operations’ features from the text

As a pre-course exercise

Responsible operations

These ‘responsible operations’ examples illustrate how Operations Management topics touch upon important social, ethical and environmental issues. Your task is to read both and consider the dilemma outlined. Then write a short reflection for option 1 or option 2 and post on the discussion.

OPTION 1: The ethics of the gig economy

The gig economy (also referred to as zero-hours contracting) describes the trend of organisations to employ subcontractors on a freelance basis rather than relying on full-time employees. In these settings, an employer does not offer any guarantee of a specific number of hours of work for an individual. Neither is any person working under a zero-hours (or gig) contract obliged to accept those hours when they are offered. From a capacity management perspective, these developments have helped to maintain high levels of customer service even in the face of changeable demand, while

OPTION 2: Embedding environmental and ethical practices in supply networks

Global supply networks continue to be subject to extensive criticism and controversy when considering the subject of responsibility. Many commentators have argued that organisations have typically failed to do enough to tackle the major disconnect between their corporate social responsibility standards and the business practices of those suppliers operating in their supply chains.

Considering the environment, global supply networks are accused of creating significant harm to the planet. Concerns include the use of fossil
Under "Pre-course assignment" on your Assignment page you will find two ‘Responsible operations’ boxes (text boxes inserted into chapters of textbooks) that Professor Brandon-Jones recently wrote for the latest edition of Operations and Process Management (7th ed forthcoming 2024). These illustrate how Operations Management topics touch upon important social, ethical and environmental issues.

Your task is to read both of these and consider the dilemma outlined. Then write a short reflection for option 1 OR option 2 and post your answer here. You are expected to write around a paragraph (100-200 words) but it can be more; and to comment on at least one other post (10-50 words).

You cannot see your colleagues' posts until you post yourself.

This is a Pass/Fail assignment. As long as you post a reflection and comment on a colleague's reflection, you will get 100%.
Hello everyone, here are my thoughts on option 1: Gig Economy

In today's environment, the decision on whether to embrace the gig economy or move away from it is a complex one, and it depends on several factors. There is definitely no one-size-fits-all answer, and it's evident that gig economy can offer significant advantages to businesses.

For businesses facing unpredictable demand patterns, the gig economy can be a life saver. It provides the flexibility to scale up or down without the burden of fixed labor costs. This allows companies to maintain high levels of customer service even in the face of fluctuating demand, which is especially crucial in sectors like transportation, delivery and services.

However, it's critical to think this through carefully. Embracing the gig economy doesn't mean sacrificing ethical responsibilities towards workers. Companies should ensure that gig workers receive fair compensation and benefits. Treating gig workers not only aligns with CSR, but also helps with attracting and retaining top talent.

In essence, the gig economy can be a valuable tool in the modern business toolkit, offering flexibility and cost-effectiveness. Yet it should be leveraged responsibly. Striking the right balance is the key, considering the nature of the industry.
I fully agree with you. The gig economy presents a dynamic solution for businesses dealing with unpredictable demand. Its flexibility can be a game-changer in sectors like transportation and services as you mentioned. But it's indeed crucial to ensure fair treatment and benefits for gig workers to maintain ethics and attract talent. As you very well put it, balancing flexibility and responsibility is key.
What are the pros and cons of gig contracts for organisations and for society?
Businesses that focus on ‘Responsible Operations’

- HISBE stands for ‘How It Should Be’.
- A social enterprise based in Brighton (UK)
- Provide healthy, ethical, groceries.
- From small, local producers that trade responsibly, fairly, and sustainably.
- Limited range.

Outdoor-clothing firm. Designs and markets gear outdoor sports
- A ‘B Corps’, it is a non-profit environmental enterprise using TBL
- Famous “Don’t Buy This Jacket” advert.
- Pledges 1% of sales to environment funds.
Using ‘Responsible Operations’ exercises

Charles Trent, is a pioneer in what have been termed ‘reverse production lines’, ‘de-production processes’, or ‘disassembly’ lines.

Question – What are the similarities and differences with the assembly lines that originally made the vehicles?
Newbrew from Singapore craft beer brewery Brewerkz

Made with only the finest ingredients: premium German barley malts, aromatic Citra and Calypso hops, farmhouse yeast from Norway and ... *reclaimed sewage.*

Question – What’s the point of using ‘recycled’ water?
End-of-chapter case

Quality Management
Case Synopsis

• Fareshare UK is a food redistribution charity
• Established over 30 years ago by a homeless charity, Crisis, and the UK supermarket chain Sainsbury’s
• The genesis: no good food should go to waste.
  • In the UK 1 in 5 people struggle to get enough to eat, but...
  • 6.4 million tonnes of food are rendered ‘surplus’ and consequently rejected from entering the human supply chain
• On a global scale, 40% of food goes to waste. This is enough to wipe out world hunger*

*This case links to United Nations Sustainability goal (2): End hunger, achieve food security and improved nutrition and promote sustainable agriculture
Responsible Operations
How to teach the case

Setting the scene:

- A grand societal challenge
- Links to UN sustainability goal #2: End Hunger
- Proportion of people affected by hunger jumped in 2020 and continued to rise in 2021, to 9.8% of the world population (World Health Organisation)
- A seemingly simple solution

The goal is to tap into student energy and motivation:

A ‘high stakes’ operation – lets them think deeply about an issue they care for, “how can we apply OM theory and frameworks to improve performance?”
First, ask students to define Quality in the context of FareShare

- Quality defined as user centric, therefore ‘conformance to customer expectations’
  - Who is the customer? (External and Internal)
  - What is the quality specification in this context?
A simple diagram

- Suppliers and Customers
- Internal customers?

From the text:
- ‘An army of volunteers’, from all walks of life with:
  - Social needs
  - Nutrition needs
  - Training needs
- Link to Social Impact, and social impact measurement

Social Impact, and social impact measurement
Defining quality (external customers)

- Quality Specification (external)
  - Variety (fruit, veg, protein and carbohydrates)
  - Flexibility (to cater for and respect dietary needs and choices)
  - Dignity
  - Food safety clear labelling and safely storage
  - Dependability - Service deliveries in pre-agreed timeslots
  - Zero waste internally (no donated food goes to waste)
## The six ‘quality characteristics (from the ‘Quality’ chapter)

<table>
<thead>
<tr>
<th>Quality characteristics</th>
<th>Car</th>
<th>Flight</th>
</tr>
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<tbody>
<tr>
<td><strong>Functionality</strong>—how well the product or service does its job, including its performance and features</td>
<td>Speed, acceleration, fuel consumption, ride quality, road holding, etc.</td>
<td>Safety and duration of journey, onboard meals and drinks, car and hotel booking services</td>
</tr>
<tr>
<td><strong>Appearance</strong>—the sensory characteristics of the product or service: its aesthetic appeal, look, feel, sound and smell</td>
<td>Aesthetics, shape, finish, door gaps, etc.</td>
<td>Décor and cleanliness of aircraft, look of waiting lounges and crew</td>
</tr>
<tr>
<td><strong>Reliability</strong>—the consistency of the product or service’s performance over time, or the average time for which it performs within its tolerated band of performance</td>
<td>Mean time to failure</td>
<td>Keeping to the published flight times</td>
</tr>
<tr>
<td><strong>Durability</strong>—the total useful life of the product or service assuming occasional repair or modification</td>
<td>Useful life (with repair)</td>
<td>Keeping up with trends in the industry</td>
</tr>
<tr>
<td><strong>Recovery</strong>—the ease with which problems with the product or service can be rectified or resolved</td>
<td>Ease of repair</td>
<td>Resolution of service failures</td>
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<tr>
<td><strong>Contact</strong>—the nature of the person-to-person contact that might take place; could include the courtesy, empathy, sensitivity and knowledge of contact staff</td>
<td>Knowledge and courtesy of sales and service staff</td>
<td>Knowledge, courtesy and sensitivity of airline staff</td>
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### The six ‘quality characteristics’ (for FareShare)

<table>
<thead>
<tr>
<th>CHARACTERISTIC</th>
<th>VARIABLE MEASURE</th>
<th>ATTRIBUTE</th>
</tr>
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<tbody>
<tr>
<td><strong>Functionality</strong> – does the food offer customers the ability to produce meals that offer balanced nutrition and cater to differential dietary requirements?</td>
<td>Nutritional mix – numbers of foods from different nutritional categories</td>
<td>Was the variety of food acceptable?</td>
</tr>
<tr>
<td><strong>Appearance</strong> – Sensory characteristics such as size, shape, color, texture, and taste (many argue the taste of food is impacted by visual appearance and smell)</td>
<td>Number of blemishes and bruises</td>
<td>Was the look of the food acceptable?</td>
</tr>
<tr>
<td><strong>Reliability</strong> – does FareShare deliver when they say they will?</td>
<td>Number of times food is delivered outside of agreed time window</td>
<td>Was the food delivered within agreed time window</td>
</tr>
<tr>
<td><strong>Durability</strong> – Does the food have sufficient useful life?</td>
<td>Length of time before food items perish</td>
<td>Do service users feel the food items have sufficient time window to allow for their preparation and consumption</td>
</tr>
<tr>
<td><strong>Recovery</strong> – the ease of problem resolution</td>
<td>Ease of resolving problem</td>
<td>Was the problem resolved in a satisfactory manner</td>
</tr>
<tr>
<td><strong>Contact</strong> – can customers let FareShare know if they require a specific food item</td>
<td>Level of ease with which customers can contact Fareshare and receive assistance</td>
<td>Do service users find FareShare staff helpful?</td>
</tr>
</tbody>
</table>
Quality specification (food supply) for FareShare

Get food calories to people in need

Get balance nutrition calories to people in need

Get balance nutrition calories and advice to people in need with dignity

Get balance nutrition calories and advice to people in need

Treat people like they are in a top-class restaurant

Increasing ethical perspective
Chief Executive Dan Slatter shares his vision for FareShare:

“I think we should treat people like they’re paying in an expensive restaurant”

Rebellion?
Q5. Use the EFQM model, described in the chapter, to evaluate FareShare’s performance against the three dimensions of direction, execution, and results.

1. “Why” does this organisation exist? What Purpose does it fulfil? Why this particular Strategy? (Direction)

2. “How” does it intend to deliver on its Purpose and its Strategy? (Execution)

3. “What” has it actually achieved to date? “What” does it intend to achieve tomorrow? (Results)

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Concluding thoughts

Case studies of social enterprise, charities and other not-for-profits offer students robust learning opportunities.
Teaching Responsible Operations

Questions?
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