

Operations Management Skills:

Core Skills and Practice



- Build practical operations capability across managers, coordinators, and process owners



- Operations turns inputs into customer value through processes, people, and quality



- Dual mandate: run today's work reliably while improving the system itself



- The 2026 skill set blends process discipline, data literacy, and AI-assisted workflows

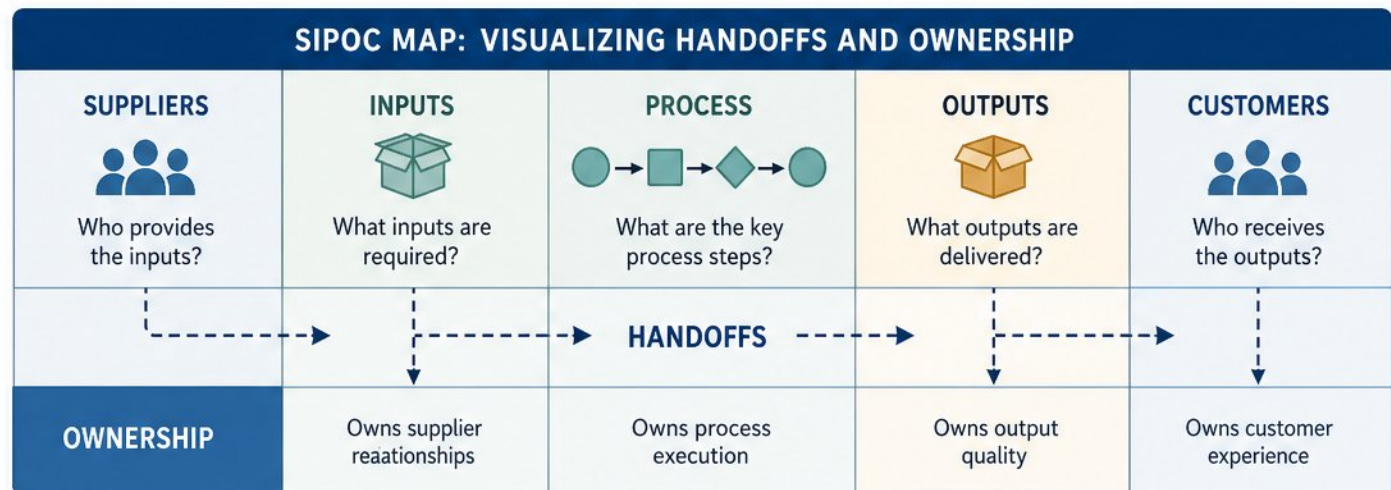
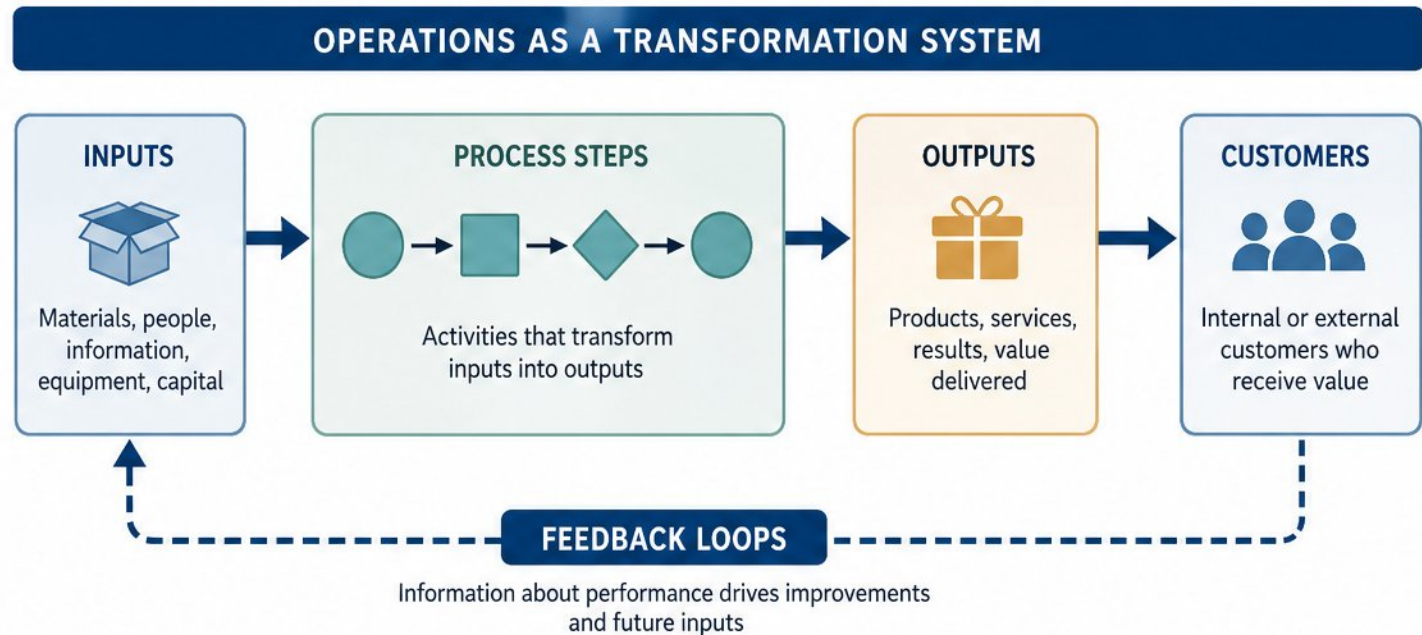


- Roadmap: process design, capacity, quality, KPIs, improvement, supply, team routines, lab



The Operations System: Inputs, Processes, Outputs, and Feedback

- Operations as a transformation system: inputs, process steps, outputs, customers, feedback loops
- Three management areas: input resources, processes, outputs such as cost and satisfaction
- Operating models differ: manufacturing, service, project, and hybrid
- Service traits: intangibility, simultaneity, variability, customer participation
- Value-added versus non-value-added work defines the value stream
- Define early flow measures: cycle time, lead time, throughput, WIP
- A simple IPO or SIPOC map quickly exposes handoffs, delays, unclear ownership



CORE IDEA: Understand the flow from inputs to customers, close the feedback loop, and clarify ownership to deliver value efficiently.

Core Skill 1: Process Design and Standard Work



- Design around customer value, then work backward through inputs and suppliers



- Standard work defines work sequence, takt time, and standard work-in-process



- Documentation hierarchy: process maps, SOPs, work instructions, decision rules, RACI



- Standardize high-frequency, high-risk, high-dependency workflows first



- Keep standards living: involve frontline, train, audit, update through controlled cycles



STANDARD WORK INSTRUCTION SHEET

WORK SEQUENCE



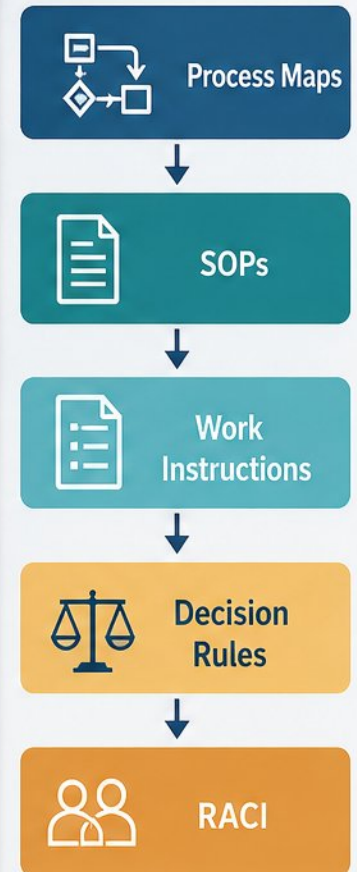
TAKT TIME



STANDARD WORK-IN-PROCESS



DOCUMENTATION HIERARCHY



Core Skill 2: Capacity, Demand, and Flow Management



- Capacity vs. demand: theoretical and effective capacity, utilization, bottlenecks, constraints



- Forecast the demand drivers, seasonality, and variability; baseline quality beats sophistication



- Match capacity using level, chase, or hybrid strategies; balance cost, service, and stability



- Manage flow: queues, WIP, and Little's Law linking WIP, throughput, and lead time



- Smooth demand, cross-train staff, flex schedules, design buffers



- Case evidence: forecast accuracy and scenario planning drive double-digit gains

CAPACITY STRATEGIES COMPARED AGAINST DEMAND

— Demand (variable)

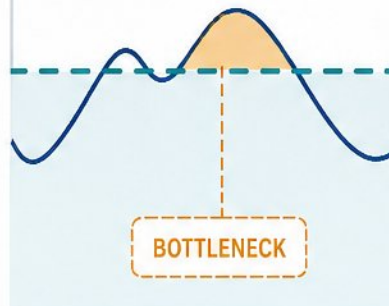
- - - Level Capacity

- - - Chase Capacity

- - - Hybrid Capacity

LEVEL STRATEGY

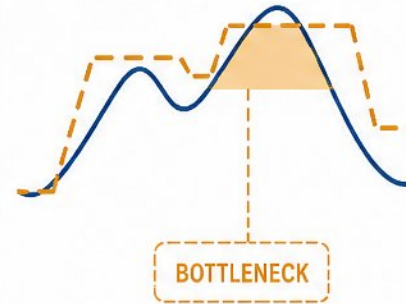
Stable capacity set to meet average demand



Capacity is steady; utilization varies with demand

CHASE STRATEGY

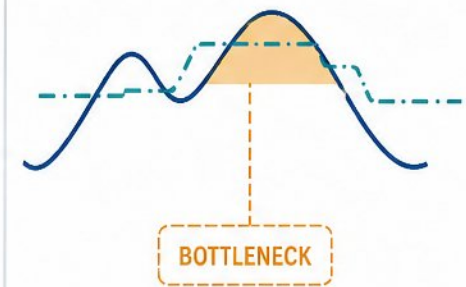
Capacity follows demand up and down



High responsiveness; less stable capacity and higher variability

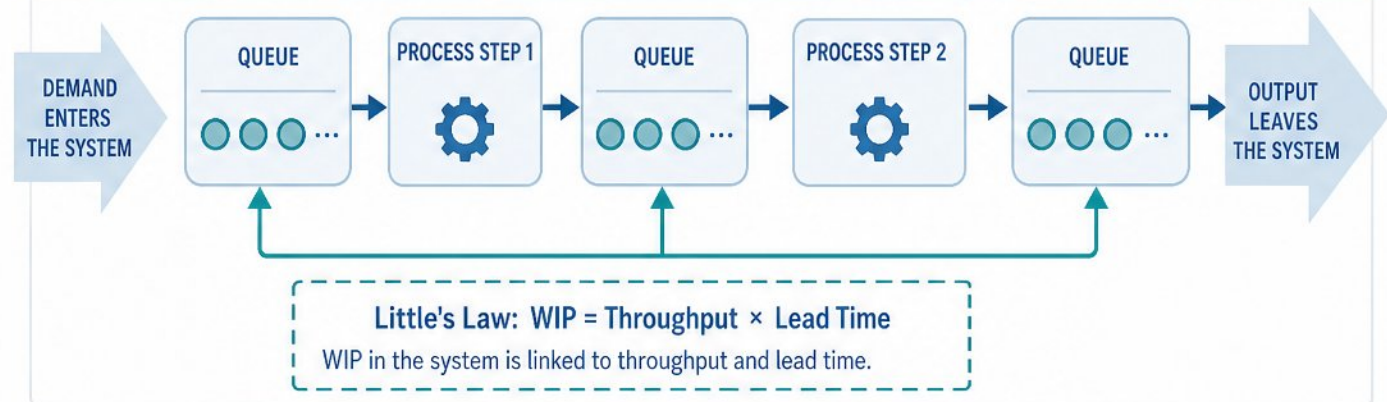
HYBRID STRATEGY

Baseline capacity with flexible adjustments



Balances stability and responsiveness to meet demand

MANAGING FLOW: QUEUES, WIP, AND LITTLE'S LAW



Core Skill 3: Quality, Consistency, and Customer Requirements

- ✓ Quality = conformance to requirements and fitness for use
- ✓ Four cost categories: prevention, appraisal, internal failure, external failure
- ✓ Prevention and appraisal = cost of good quality, failures = cost of poor quality
- ✓ 1-10-100 rule: \$1 to prevent, \$10 to correct, \$100 at customer
- ✓ Seven tools: check sheets, Pareto, fishbone, control charts, histograms, scatter, flowcharts
- ✓ Build quality in with error-proofing and process capability, not end inspection
- ✓ Quality costs often run 15-20% of sales; much failure cost stays hidden



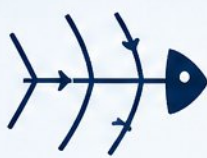
SEVEN BASIC QUALITY TOOLS



Check Sheets



Pareto



Fishbone



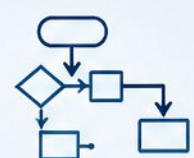
Control Charts



Histograms



Scatter



Flowcharts



Core Skill 4: Performance Measurement and Operational KPIs



- Choose KPIs that reflect customer value, not just activity or volume



- Core metrics: throughput, cycle time, on-time delivery, defect rate, first pass yield, cost per unit, utilization, productivity, inventory turns



- Leading signals (WIP, cycle time trend, supplier quality) protect lagging outcomes like on-time delivery



- Balance cost, speed, quality, and service to prevent metric gaming



- Dashboard: small metric set, clear owners, red-amber-green thresholds, action tracker



- Role-based views: executives see trends, managers see bottlenecks, supervisors see real-time alerts

ROLE-BASED OPERATIONS DASHBOARD

KPI OVERVIEW (RED-AMBER-GREEN THRESHOLDS)



● Good ● Watch ● Action

THROUGHPUT TREND



CYCLE TIME TREND



ACTION TRACKER



ROLE-BASED VIEWS



Right metrics. Clear ownership. Timely action. Better outcomes.

Core Skill 5: Continuous Improvement and Problem Solving



- PDCA, Kaizen, and DMAIC: match the framework to the problem



- Structured problem solving: define, contain, measure, analyze, fix, control



- Root cause tools: 5 Whys, fishbone, process observation, Pareto



- Prioritize by impact and effort; win quick wins first

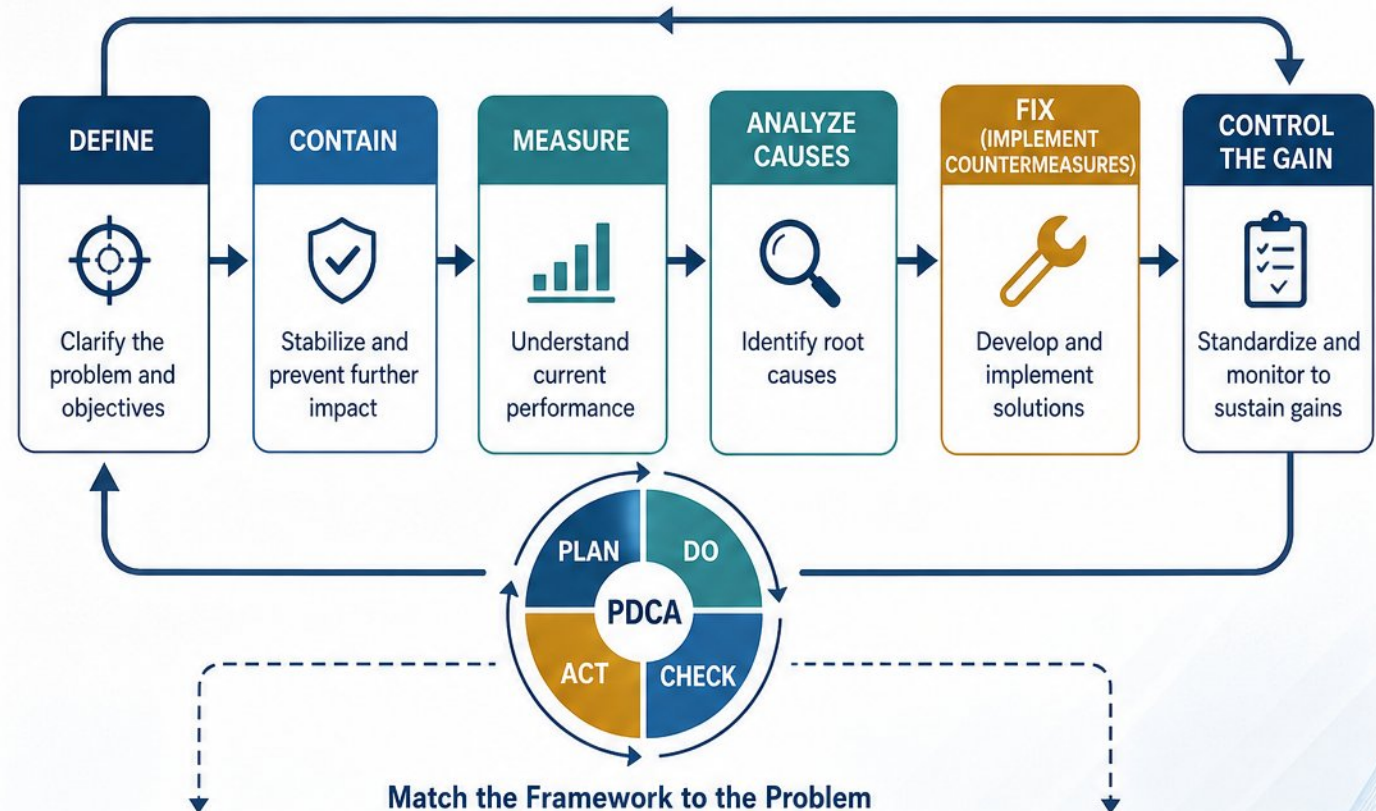


- Sustain gains with standard work, owners, visual controls, audits

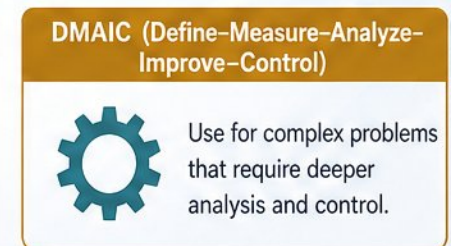
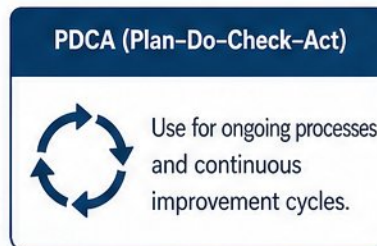


- Avoid jumping to solutions or treating symptoms

Structured Problem-Solving Loop



Match the Framework to the Problem



Core Skill 6: Supply Chain, Vendor, and Cross-Functional Coordination

- ✓ Operations manager is the coordination nexus across procurement, logistics, sales, finance, and quality
- ✓ Supplier scorecards: selection criteria, governance cadence, and performance reviews
- ✓ Inventory basics: safety stock, reorder points, lead time variability, vendor-managed inventory
- ✓ Coordination tools: SLAs, escalation paths, joint reviews, and shared metrics
- ✓ Balance cost, speed, flexibility, and reliability while protecting service commitments
- ✓ Data quality and communication are the most common failure points



SLA / Coordination Links



Escalation Paths



Shared Reviews
& Metrics

Core Skill 7: Team Leadership, Communication, and Daily Operations Routines



- Run short daily huddles at the board: 10-15 minutes, standing, timeboxed



- Tier 1 fronts the line; Tier 2 removes cross-team blockers; Tier 3 decides site issues



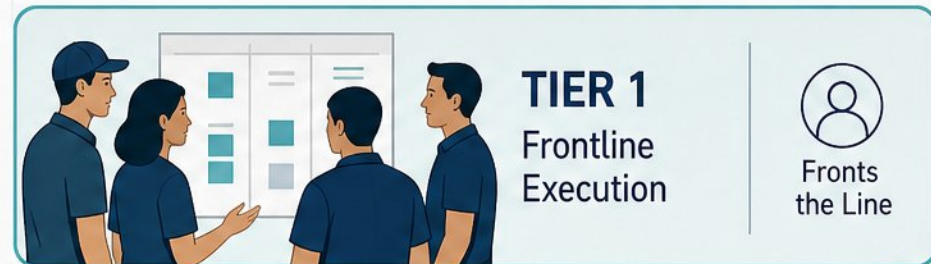
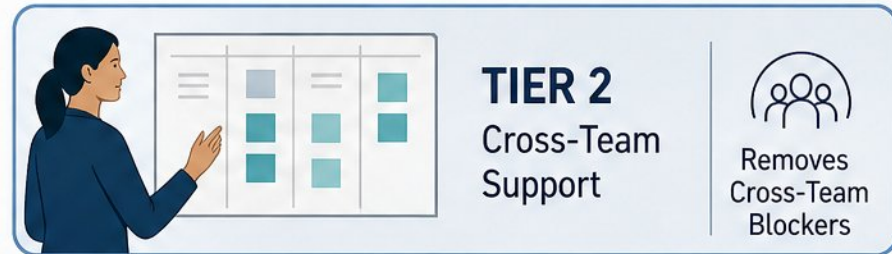
- Escalate only what a level cannot resolve, with context, impact, and one owner



- Clarify accountability with RACI; coach teams on adherence and early escalation



- Use visual boards so everyone sees the same facts; protect safety, quality, delivery, cost



ESCALATION LANES

Escalate only what a level cannot resolve, with context, impact, and one owner.

Practice Lab: Applying Operations Skills to a Real Process



PROCESS BOUNDARY & OWNER

- Process: _____
- Start Event: _____
- End Output: _____
- Owner: _____



1



- Pick a real process; define boundaries, start event, end output, and owner

2



- Map current state with flowchart or SIPOC; name one priority problem

3



- Choose KPIs and baseline at least four weeks of data

4



- Run the cycle: root cause, countermeasure, small-scale test, standard work update

5



- Document owners, due dates, and impact; convert gaps to cost or service terms

6



- Present results; set a 30-day follow-up plan with checkpoints

CURRENT STATE MAP (SIPOC)

SUPPLIERS	INPUTS	PROCESS	OUTPUTS	CUSTOMERS

KPIs & BASELINE

KPI	BASELINE NOTES

ROOT CAUSE ANALYSIS



COUNTERMEASURE & TEST



COUNTERMEASURE:



SMALL-SCALE TEST:



STANDARD WORK UPDATE:

30-DAY FOLLOW-UP PLAN





Building Your Operations Skill Development Plan

THE DEVELOPMENT ROADMAP

Seven core skills mapped to your role with one improvement project as your learning vehicle.

-  1. Process Thinking
-  2. Problem Solving
-  3. Leadership & Influence
-  4. Data & Analytics
-  5. Tools & Methods
-  6. Systems Thinking
-  7. Communication



-  Map the seven core skills to your role: strengths, gaps, biggest operational pain
-  Pick one improvement project tied to a business outcome: cycle time, quality, cost, workload
-  Follow a simple cycle: assess gaps, apply the method, measure, document lessons
-  Use tools and certifications selectively: Lean Six Sigma, PMP, ERP, analytics platforms
-  Share quantified results with your team, manager, and cross-functional partners
-  Next steps: pick one process this week, baseline it, review progress within 30 days

Common Pitfalls and How to Avoid Them



- Documenting without standardizing: a procedure is not a standard until trained



- Measuring activity instead of outcomes: busy numbers that drive no decisions



- Solving symptoms, not root causes: same issue, endless firefighting



- Escalation without resolution: items move up, nobody owns the answer



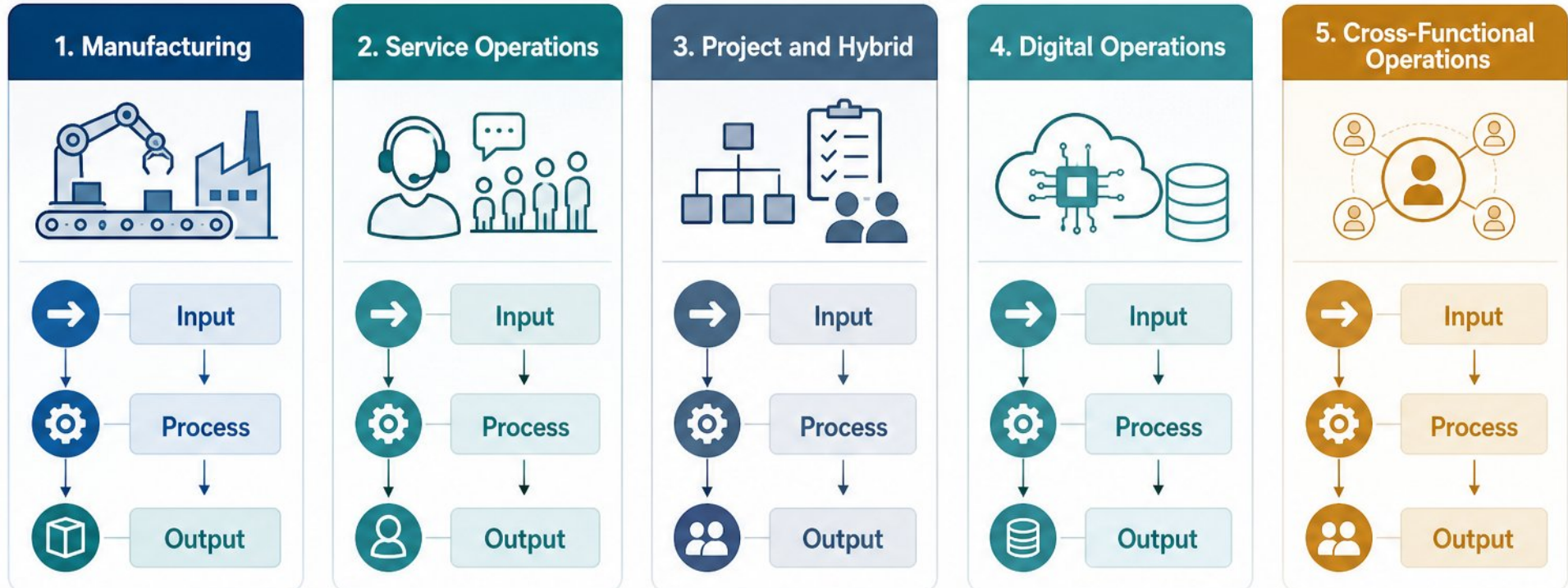
- Over-standardizing expert work: rigid rules slow judgment and frustrate teams



- Hidden failure costs: scrap, rework, expedited freight, overtime, lost goodwill



Applying Operations Skills in Different Environments



- > - Manufacturing: safety, quality, delivery, cost — plus OEE and standard work
- > - Service operations: demand variability, queues, SLAs, cycle time discipline
- > - Project and hybrid: multi-team coordination, boundaries, escalation paths
- > - Digital operations: data quality, automation, AI-assisted forecasting
- > - Methods stay stable; metrics, cadence, and constraints fit the model

Course Summary and 30-Day Action Plan



- Operations management designs and runs the system that turns inputs into customer value



- Seven skills work together: process, capacity, quality, measurement, improvement, supply, leadership



- Start with one real process and improve one thing measurably



- 30-day plan: week 1 scope and baseline, week 2 root cause, week 3 test, week 4 standardize



- Use daily or weekly checkpoints with clear owners and visible progress



- Document lessons, share results, and pick the next improvement opportunity

30-DAY ACTION PLAN

WEEK	FOCUS	KEY ACTION	OWNER	CHECKPOINTS
WEEK 1		SCOPE AND BASELINE Define the process and establish the current baseline.		
WEEK 2		ROOT CAUSE AND COUNTERMEASURE Identify root cause and develop countermeasures.		
WEEK 3		SMALL-SCALE TEST Test the countermeasure on a small scale.		
WEEK 4		REVIEW AND STANDARD WORK UPDATE Review results and update standard work.		

THE SEVEN SKILLS WORK TOGETHER AS ONE SYSTEM



PROGRESS STATUS GUIDE



RED: Off track — immediate attention needed



AMBER: At risk — corrective action needed



GREEN: On track — continue as planned

PersonWise.

PersonWise • AI digital-human course platform



Scan the code or click anywhere to watch this course live, with voice Q&A

personwise.ai/t/3dffc87/public