Retail Operations Management

NPTEL

Dr. Swagato Chatterjee

VGSOM, IITKGP

Operations Management

Operations management is the efficient and effective implementation of the policies and tasks that satisfy a retailer's customers, employees, and management (and stockholders, if publicly owned).

NPTEL

Operational Decisions (1 of 3)

- What operating guidelines are used?
- What is the optimal format and size of a store? What is the relationship between shelf space, shelf location, and sales for each item in the store?
- How can personnel be matched to customer traffic flows? Would increased staffing improve or reduce productivity? What impact does self-service have on sales?

NPTEL

Operational Decisions (2 of 3)

- What effect does the use of various building materials have on store maintenance? How can energy costs be better controlled? How often should facilities be renovated?
- How can inventory best be managed?
- How can the personal safety of shoppers and employees be ensured?

NPTEL

Operational Decisions (3 of 3)

- What levels of insurance are required?
- How can credit transactions be managed most effectively?
- How can computer systems improve operating efficiency?
- Should any aspects of operations be outsourced?
- What kind of crisis management plans should be in place?

NPTEL

Operations Blueprint

An **operations blueprint** systematically lists all the operating functions to be performed, their characteristics, and their timing.

The retailer specifies, in detail, every operating function from the store's opening to closing – and those responsible for them.

NPTEL

Elements of an Operations Blueprint

- Customer actions– customer steps taken as part of service delivery
- Onstage/visible contact employee actions– face-to-face encounters with the customer
- Backstage/employee actions– not-face-to-face with consumers
- Support processes– necessary functions crucial to carrying out the services
- Physical evidence– tangibles that customers are exposed to during contact with the retailer

NPTEL