

# Module Five

Organization Planning & Management



## Session 1: Operation Planning and Control

### MAC STANDARD: CATCH TO ORDER

#### Filling orders

Filling an order refers not only to providing the exporters with what they ordered and doing it on time, but also providing all related customer services.

Filling an order is a part of the activities conducted on site or in the community, such as collection, shipment preparation, all the related logistics and procedures, finance, accounting, and other administrative activities. *Logistics refers to the process of planning, implementing, and controlling the efficient and effective flow and storage of the catch, services, and related information from the site to the exporter for the purpose of conforming to customer requirements.*

Filling orders also refers to anything related to inbound, outbound, internal, and external movements.

Filling orders is also strongly related to market-specific activities such as sales, marketing, and customer contacts, specifically provision of site species list and order-taking.

Filling orders also refers to the process flow of the entire MAC operation and its support activities

#### OPERATIONS PLANNING

Operations Planning refers to the matching of activities with available resources.

What will you gain from careful planning and scheduling? Advantages include a significant reduction in labor and cost of fish, better use of resources, and increased overall performance of the group.

Operations Planning and careful scheduling can influence the cost and time required to deliver an order. They can improve work loads and help to better allocate work requirements. Operations planning will make your life more efficient!

When orders are not planned and scheduled efficiently, we often will get orders that sit half-completed while we finish other tasks that should have been done first. For example, packing is halted because the group realizes that they run out of plastic bags. Although packing materials had been purchased, the inventory of bags had been overlooked. This type of incident wastes time, costs money, takes up storage space, and makes your customer unhappy.

Operations employ various resources. The nature and the constraints of these resources are determined by some strategic decisions.

The day-to-day running of fish collection and the aquarium fish trade rests with Operations Planning. The group should organize its resources so that they are available:

1. in the appropriate quality,
2. at the appropriate time and,
3. in the appropriate quantity

To do this, Operations needs to consider two elements:

The first one involves the resources available to the operations, such as labor, equipment, materials, supplies, etc.

The second concerns the general and specific demands from actual and potential customers.

Operations Planning provides the procedures and decisions to bring these two elements together and thus to reconcile orders and catch or fish stock.

To set up an operations planning and control system to support your specific needs, you must:

- Create an Operations Schedule. This can be done on a weekly, monthly, or quarterly basis.
- Allocate resources, including labor, equipment, and holding facilities. This is referred to as Capacity Planning.

- Establish procedures to align Capacity Planning and the Operations Schedule. Related considerations are:
  - Potential for change in number of collectors
  - Linking the Operations Schedule with Inventory Control and Purchasing

## Operations Scheduling

### The Activity Timetable & Gantt Chart

*Activity Timetable.* The jobs of collectors and coordinators can be organized with a simple listing of activities in a timetable.

The Activity Timetable is a practical tool for planning only if there are fewer than ten activities. If there are many activities, it may not be advisable to use this method as it will be difficult to see the relationships among the activities.

*Gantt Chart.* The bar chart is a graphical representation of the activities. The chart is scaled by time. The Activity Timetable may be placed in a Gantt Chart format. The Gantt Chart is an improvement over the Activity Timetable as it allows the schedule for accomplishment of activities to be visualized.

The collectors and coordinators will have to determine which activities may be performed simultaneously, and which will have to be completed before other activities may be started.

### Operations Control

A lack of planning (e.g., Capacity Planning, Inventory Management, etc.) is likely to cause bottlenecks in your operation. The following are examples of problems caused by poor planning:

1. Boat engine breakdown
2. Sudden shortage of packing materials
3. Lack of collectors
4. Tool breakage
5. *Can you think of others?*

So what do you do about it?

1. Wait and see?
2. Try to find alternative operations?

### 3. Reject Orders?

It is important to know what is happening at the operations level to be able to respond efficiently to the initial indication of delays or other problems.

To stay connected at the operations level, we must pay attention to the operation of the boat, the collectors, and the quality and quantity of catch.

The coordinator or the leader of the collectors should monitor the following:

1. Filling of orders
  - at collection
  - at the holding area
  - at packing and delivery
2. Materials and supplies
3. Equipment needed for operations
  - boat
  - tools
  - supplies
4. Meeting of MAC Standards
  - be completely familiar with Collection Standards
  - be completely familiar with Screening Standards
  - be completely familiar with Shipment Standards

Make sure all of the following elements of control are clear and accessible:

- **A Plan**
- A statement of acceptable deviation from plan (e.g., **Tolerance**)
- **Measurement** of actual performance
- **A pathway for Feedback** concerning deviations from the plan to be given to the person with the responsibility and authority to act on it
- **A plan for Actions** arising from the feedback