

Operations Performance Metrics

Trade-offs

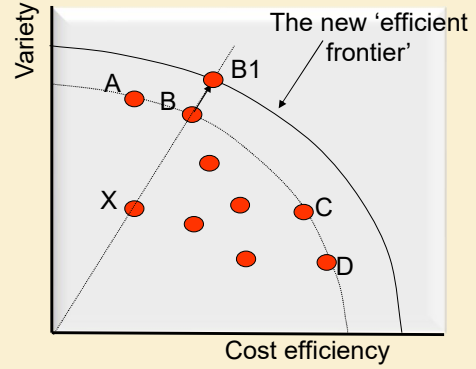
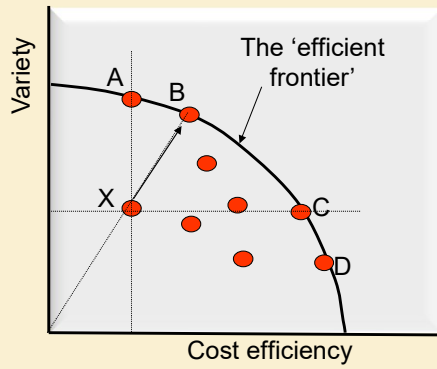
'Do you want it good, or do you want it Tuesday?'

'No such thing as a free lunch'.

'You can't have an aircraft which flies at the speed of sound, carries 400 passengers and lands on an aircraft carrier. Operations are just the same' (Skinner).

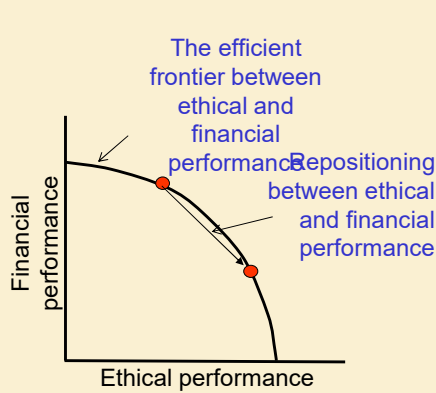
'Trade-offs in operations are the way we are willing to sacrifice one performance objective to achieve excellence in another'.

The 'efficient frontier' view

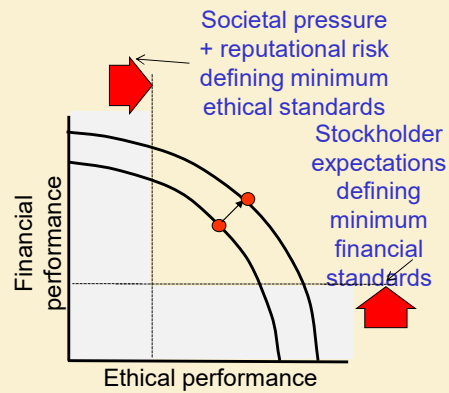


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To what extent do ethical and financial performance trade-off?



Changing the balance (trade-off) between ethical and financial performance



Simultaneously improving both ethical and financial performance, partly because extreme positions on either are becoming less acceptable

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The sandcone model of improvement; cost reduction relies on a cumulative foundation of improvement in the other performance objectives

