



BUSINESS MANAGEMENT
 LAP 20.1—Chapter 20.1
 Operations Control
 Managing Costs and Inventory

Name _____
 Period _____
 Date Started _____
 Date Completed _____

DoDEA Standards

- ◆PT2d Apply generally accepted operations, management principles and procedures to the design of an operational plan.
- ◆PT2e Evaluate information critically and completely.
- ◆PT4c Use information accurately and creatively.

Objectives

- ◆ Identify four types of operating costs.
- ◆ Learn how businesses keep track of their inventory.
- ◆ Understand what operations managers mean by the term “quality.”
- ◆ Explain how total quality management can increase the quality of a company’s products.

Resource

Text: Business Management
 Student Workbook and materials for above
 Chapter 20, Operations Control (20.1—Management Costs and Inventory)

Time Frame

3 hours

Introduction

In Chapter 20, Part 20.1, you will learn the four types of direct operating costs, the six types of holding costs, what the ABC classification system is, and how businesses keep track of their inventory.

Assignments

**Where appropriate and possible, written answers must be in complete sentences and keyed.
 Turn in completed activities as directed by instructor.**

_____ Text: Read p. 463, Management Talk, and the workplace connections section and complete the questions for Analyzing Management Skills and Applying Management Skills on a separate sheet of paper.

_____ Text: Read Section 20.1, pages 464-475, Managing Costs and Inventory.

_____ Text: p. 475, Section 20.1 Assessment: Key answers to critical thinking questions and case analysis.

_____ Workbook, pages 301-304: Skill Building Activities 1, 2, and 3 : Reading, Math and Writing Skills. Key answers on your Chapter 20 Word Answer Document.