



## RISING ISSUES OF OPERATION MANAGEMENT UNDER COVID-19 CRISES; A CASE ON FLYING CEMENT

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### Abstract

Mr Shahid Awan and the CFO of Flying Cement were standing in his workplace on a Monday evening in April 2020, debating how to handle disputes regarding the monetary and economic crisis that had arisen as a result of the pandemic in the firm. There has been more attention placed on the company secretary's (Mr. Shahid Awan) position in handling specific circumstances and maintaining the seamless running operations of the firm. Operating a plant that relied on floor employees recruited from many places was not simple. Clogged and transportation supply problems led to disturbances that frequently destroyed corporate resources. The much more severe threat of devastating labor unrest and lockdowns frustrated the willingness of the operational and financial activities to take the practical step. Therefore, it led to a difficult situation for Mr. Shahid Awan to take everyone on board and on one page, causing operational issues in terms of sustainability, support and communication barriers. In addition, the buying power of individuals was negatively impacted throughout the first part of FY20 because of high rising prices, increasing electricity costs, and strict fiscal austerity. In contrast, the second phase was negatively impacted by the epidemic. These commercial and trade practices seemed to move the company's finances and administration regarding meeting corporate obligations and facilitating crucial discussions and approvals that were developed and completed without difficulty, as is the case with Mr Shahid.

**Index Terms:** Communication gap, Covid-19, Operations management, , Supply chain, Sustainability,

### Key Operational Issues

**Sustainable operations:** Mr Shahid Awan's mind was whirling by early evening. He was aware that he needed to identify the supply chain's main troublesome points as soon as possible and formulate a strategy to address them inside the overall framework of the operations function for Flying cement. As theory demonstrates that sustainable operations<sup>1</sup>

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<sup>1</sup> The methods, processes, practises, and systems that businesses—individually or as part of larger interorganizational structures—use to undertake, generate, and deliver deliverables that are profitable from a

help businesses gain a competitive advantage and increase human-resource and customer benefits. The majority of the logistics and distribution channels connecting suppliers, manufacturing sites, and customers have been disrupted by the COVID-19 epidemic. This shows the industry's ability to withstand the challenging FY20 and its effects during the nationwide shutdown brought on the sales by the epidemic, as shown in the key figures exhibit 1 (impact on sales). As per Mr Shahid Although the firm's bottom line went negative in FY20. Going ahead, balance, as well as financial position stability, became crucial to the rankings. Rating monitoring considers growth schedule delays and pressures on the economic risk matrix. Furthermore, based on information provided by Mr Shahid, the business is a lesser participant in the marketplace, with a capability of 1.2 million tons per annum, translating to a customer base of 2.3% of the cement production activities in the North area as of June 20. Therefore, keeping the application of sustainability by Mr Awan to all operational strategy decisions, including capacity planning<sup>2</sup>, supplier relationship management, processing technology, advancement, and organizational structure, emphasized by sustainable business management somehow proved to be effective in managing the hurdles across the operations.

**Support to Chairman:** The firm secretary was responsible for counseling the Committee on every administration topic via the chairman. In this regard, the chairman's connection with the firm secretary was crucial to the board's effectiveness. Mr Shahid was accountable for the company's effective leadership, specifically for enforcing adherence to legal and regulatory obligations and for seeing that the board of directors' actions were carried out. Mr Awan regularly assessed the board's effectiveness and other institutional arrangements. He considered potential efforts or enhancements to enhance corporate governance<sup>3</sup> through the secretary. Although the capability to fulfill operational obligations on schedule is thought to be sufficient, unfavorable environmental and economic shifts are more likely to jeopardize this skill. Mr Shahid started promoting discussions about sustainability and assisting directors in adopting new perspectives. He then aided the organization in selecting the appropriate strategy, which resulted in performing the activities at a slow and steady pace, impacting the profit performance as indicated in the key exhibit figure 2 (Impact on Profit). This was a challenge for the secretary happened to come from the need to sustain and maintain everybody in line throughout the pandemic shutdown and fulfill the necessary officials' needs.

**Communication Issues:** Mr Shahid serves as a crucial conduit between the board and the firm since they are a particular interaction between top officials and leadership. He may train leadership to comprehend the objectives of and obtain favorable from the Committee via communicating effectively. Effective communication was not always simple, but it aids in conflict avoidance, error reduction, error prevention, promoting a positive environment, and removing misconceptions about others. Poor communication put the firm at risk for injury since the information may not be comprehended and a serious concern for Mr Awan, as with the COVID-19 outbreak. As The firm secretary was frequently the initial point of contact for questions. Mr Shahid Awan then tried to cover the communication aspect by utilizing the

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business perspective while utilizing the resources are the subject of sustainable operations management and strategy.

<sup>2</sup> Determine the production capacity a company needs to fulfill shifting consumer demands for its products through the procedure of capacity planning.

<sup>3</sup> Corporate governance is the framework for managing and directing businesses. The management of their businesses is the responsibility of the boards of directors.

virtual and digital platforms to take all the concerned departments on board and aware of the ongoing situation. He applied this strategy to maintain efficient investor relationships with the chairperson and the Committee. This resulted in two-way information exchange and a sense of trust and confidence among all the parties to cope with the situation.

### What Should the Company Secretary Do?

Mr Shahid Awan had learned the extent of his duties and the difficulties he would face in carrying out the pandemic. What must he prioritize first to achieve the most achievement both internally as well as externally? In order to improve communication amongst trustees as quickly as possible, what particular measures must he take and in what sequence? What actions could he take to enable his teammates to address challenges and foster the correct suggestions and encouragement inside the group? In order to prevent problems from unintentionally impeding the firm turnaround, how might he be able to change connections from outside? What justifications may he use to get the upper leadership's backing and assets? What indicators would enable him to track success, and how would he gauge how smoothly activities are conducted in conformity with economic data and analysis?

### Key figures Exhibit

#### 1. Impact on Sales

##### Financials

All numbers in thousands (000's) except EPS

Annual Quarterly

	2021	2020	2019	2018
Sales	3,205,728	1,079,508	3,271,375	2,910,361
Profit after Taxation	143,685	(530,720)	142,362	181,508
EPS	0.38	(3.02)	0.81	1.03

#### 2. Impact on Profit

## Ratios

	2021	2020	2019	2018
Gross Profit Margin (%)	9.45	(42.83)	5.83	8.83
Net Profit Margin (%)	4.48	(49.16)	4.35	6.24
EPS Growth (%)	112.58	(472.84)	(21.36)	11.96
PEG	0.50	0.01	(0.78)	1.39

### 3. Impact on Production

#### Business Performance

The production and sales volume figures for the year of your Company together with the comparative figures are as under:

Particular	2021	2020	Metric Tons
Cement Production	397,000	86,400	
Cement Dispatches	388,156	86,957	

The data shows astonishing increase in the financial year 2021 both in terms of production and dispatched as compared to last year.

#### Conclusion

This case study is about the operational issues that occurred in Flying cement from the perspective of pandemic. The organization faces many ups and down during that tenure but due to different decisions regarding communication, sustainability efforts MR Shahid Awan somehow arranged to manage their cement production business. Mr. Shahid Awan plays an important part in this scenario since he can interact with significantly greater, participate in significant choices, and supporting the board. In this instance, the company's capacity to resist the difficult FY20 and its repercussions during the epidemic-caused nationwide shutdown. Mr. Shahid Awan's issue arose from the need to keep everyone in line during the virus slowdown and meet the needs of the appropriate authorities.