**The Changing Landscape**

Since week three (assignment one), we have seen some profound changes in the cannabis industry. Aurora Cannabis delisted from the “Over the Counter” (OTC), stock market, and listed on the New York Stock Exchange. Through the mid-term elections, three more States have legalized the use of marijuana for recreational use. Those States are Utah, Missouri, and Michigan (the first Midwestern state to do so). This brings the total number of States that have some sort of medicinal or recreational use policy for marijuana to thirty three. We also saw the Attorney General, Jeff Sessions, get fired. Sessions was one of the Nation’s biggest proponents against Federal legalization of pot, and kept it on the Federal Schedule as a Class One Narcotic, next to Heroin. Most people speculate that he, as well as many others, don’t want pot legal at the Federal level, because it would begin to replace many medicines. They believe that these politicians are in the hip pockets of the big pharmaceutical companies, and federally legalizing marijuana would cut into their shared opioid money. Some call the opioid epidemic across America a crisis, but these folks call it a cash cow. In fact, since week three of this course, Sessions at the DOJ, along with the Food and Drug Administration (FDA), have approved the use of a new super opioid. Most critics are worried because it (Dsuvia) is a thousand times stronger than the standard opioid on the market today (Fentanal), but the most scrutinizing critic follows the money. This isn’t about the potency of the drug, this is about the cost. The new drug is projected to sell for much more, and enslave a whole new generation of kids, while pretentious, gullible America continues to point its finger at cannabis and say “Bad Drug!” Tsk tsk tsk. smh.

Finally, one of the last things that has happened in this arena since week three is that Washington D.C. may legalize it. Mayor Mariel Bowzer is considering enacting complete legalization in the District, which would make it so ironic for the competing laws to sit right at the feet of Congress, the Supreme Court, and the White House, in our Nation’s Capital.

**Aurora Cannabis Company Case Study– Operation Management**

The history of Aurora Cannabis: The Company is big and wide. The company was founded by four individuals named Steve Dobler, Terry Booth, Chris Mayerson, and Dale Lesak. The quad all contributed about five million US dollars and decided to set up the company. Officially, the company received its license for growing marijuana in the year 2014. Through licensing, Aurora Cannabis was the first company that was growing and producing Cannabis. In the last quarter, Aurora Cannabis almost had a deal with the Coca-Cola Company in an agreement of developing medicinal beverages made of cannabis.

Aurora Cannabis Company is based in Canada, and it engages itself within the production and distribution of medicine made of Marijuana. The chain of distribution for this company is horizontally diversified and vertically integrated. The Aurora chain involves designing and engineering of marijuana breeding, genetics research, derivatives, whole sale, and retail distribution. One of the Company's main corporate highlights is its advancements and controls over all procedures. They are characterized as “customization and automation.” The Company has financed more than half a million kilograms for each year of existence, and in addition, currently has deals with several companies in more than eighteen nations around the world.

Aurora Cannabis Inc. is an incredibly famous incorporated cannabis organization with industry-driving force renowned for ceaselessly raising and setting the worldwide cannabis industry standard. “Through our completely possessed auxiliaries, vital ventures, and worldwide organizations, Aurora gives an extensive variety of premium quality cannabis and hemp items and administrations that create imaginative innovations, advances cannabis customer well-being and health, and conveys an extraordinary client encounter over the entirety of its brands.” Aurora's operations spread the globe. They spotlight both the restorative and recreational cannabis generation and deals. They also emphasize training, and facility advising administrations home hydroponic development, extraction innovations, and conveyance frameworks. Hemp-based sustenance wellbeing is another one of their focuses. The company works relentlessly to find new and developing cannabis markets where conceivable through our possessed system of import, fare and discount merchants, our e-business and versatile applications, physical retail locations, and in addition basic need store retailers, as well as common drug stores (Aurora, 2018).

**Weaknesses in Aurora Cannabis Inc.**

Aurora Cannabis Company is known for its mass production and distribution of cannabis medicine. It is organized in cranking out the product with the machine and producing large quantities of their product, continuously and repetitively. Therefore, there are several weaknesses found in the Aurora production process. One of them is lack of flexibility. The machines producing the products are not flexible in that they can’t change in product variety and design. For this reason, Aurora Cannabis Inc. is required to purchase a new machine with the ability to work in series. The produced varieties are of lower quality. Generally, Aurora Cannabis has produced many varieties of cannabis medicine including Aurora Cloud CBD (Cannabis Oil), Luna (Banana split), Haiduk (Sour Tangie), Snow dome, ambition, and white crown among others (Aurora, 2018). The weaknesses arise during the production process where each variety is produced by its own unique production process instead of producing them all together. This method is costly, time-consuming and wastes a lot of resources such as energy and raw materials (UKESSAYS, 2016).

Besides that, Aurora lacks the skilled personnel to handle the complex cultivating machines. The process of production, development, and cultivation takes a lot of time due to staff still learning these high tech mechanical machines. So if the employees are not technically skilled enough, there will not be enough staff to handle increased production. Therefore the rate of production plateaus. It stalls, and the company doesn’t grow. (UKESSAYS, 2016).

In addition to these weaknesses at the parts of the company which were not performing well and needed to be addressed, there were others along the way. Some of these weaknesses affected Aurora during its formulation, including poor financial planning, gaps in the production phase, and challenges in losing small market share in the market. They are since working through these challenges though. Others, however, include unable to outdo the competitors (black market), low investment in technologies and high attrition rate in work force. In addition, Aurora Cannabis appears to still be overcentralized and is unable to quickly respond to the local need worldwide. Furthermore, the company’s system interface web site isn’t very user friendly, to the casual user, or to the patient.

**Generate a New Product Design and Product Selection**

As previously mentioned, Aurora almost landed a deal with Coca-Cola. A new product that they could’ve developed would have been cannabis infused soft drinks. These drinks could have been marketed as an alternative to alcohol. Flavored seltzer water and THC, would have led to an incredible Beer substitute that would have almost no calories, but produce an even more satisfying euphoric effect. This is important because of the contrast to beer obesity that continues to plague the world, especially in industrialized nations.

**Strategies to Strengthen Aurora Operation**

There is much more that Aurora Cannabis needs to do to strengthen its operations. Firstly, the company should focus on its growing cost. The company should start from scratch and reevaluate the economic scale. What is the cost for production, versus what is the price point per product? Currently, the scale tips in favor of the consumer, but that could be just the strategy needed to hook the customer. Only time will tell. Secondly, the company should focus on production target. As we saw back on October 19th, when Canada legalized weed as a country, demand grossly outweighed supply. Aurora must recognize this mismatch, and raise its quarterly production targets. To achieve the company's goals, the goals and objectives of the company should be aimed as high as the needs of the consumer. The third strategy should be an expansion of company capacity on budget to focus on global expansion. Aurora cannabis should gain quite a lot of investors. The capacity expansion is currently focused on the company's production power of more than half a million kilos (Williams, 2018). But as we recently learned, that obviously isn’t enough.

The other strategies are growing visible presence (Williams, 2018). Become the household name. The company should zero in on international markets. By including international markets, the company would yield tremendous gains. However, to avoid legal exposure, the international markets targeted should only be the ones where marijuana is already legalized.

Finally, the company should be highly focused on product differentiation. Not everyone can smoke marijuana, and not everyone can ingest edibles. Having a diverse product line helps the company cover a wide spectrum of potential buyers. So, one of the main ways that Aurora can separate itself is twofold. First, it'll have to give some time, exertion, and funding to working up its brands. Second, it'll have to widen its product offering admirably past a mere dried bloom, which has shown itself inclined to commoditization after some time in select U.S. states where adult use of weed is lawful. Aurora's push into cannabis oils and other elective items, for example, implanted refreshments, will be essential to lifting its edges and making each dollar in income truly count (Williams, 2018).

**Components of Supply Chain Management**

PLAN: This is a standout amongst the essential stages. Before the start of the whole supply chain, it is fundamental to conclude the techniques and establish them. Checking the interest for the item or administration, checking the suitability, costing, benefit, and labor and so forth, are imperative. Without a legitimate arrangement or methodology set up, it will be almost unimaginable for the business to accomplish compelling and long-haul benefits. Along these lines, enough time must be dedicated to this stage. Each business needs an arrangement or diagram or a guide dependent on which of the methodologies are made. Planning recognizes the interest and supply slants in the market and this, thus, makes an effective supply chain administration framework.

SOURCE: Suppliers assume an extremely pivotal job in supply chain management frameworks. Items and administrations sold to the end client are made with the assistance of various arrangements of crude materials. It is, in this manner, essential that reasonable quality crude materials are acquired at savvy rates. On the off chance that a supplier can't supply on time, and inside the stipulated spending plan, the business will undoubtedly endure misfortunes and gain negative notoriety. It is pivotal that an organization gets great quality resources so it can make great quality items and keep up its notoriety in the market. This requires a solid job for suppliers in the supply chain management framework.

MAKE: Measure quality levels, production output, and worker productivity. Production is a standout amongst the most vital parts of this framework. It is just conceivable when the various segments of the supply chain are paired with one another. For the procedure of creation to begin, it is fundamental that legitimate arranging and supply of merchandise, and in addition the stock, are very much kept up. The generation of merchandise is trailed by testing, bundling, and the last, planning for the conveyance of the completed item.

DELIVER/TRANSPORTATION: Transportation is indispensable as far as conveying crude materials to the assembling unit and conveying the last item to the market. At each stage, auspicious transportation of merchandise is required to maintain a smooth business process. Any business which focuses on this segment, and takes great consideration of it, will profit by the creation and transportation of its merchandise on time.

It is fundamental that an organization moves in the direction of a sheltered and secure transportation process. Be it in-house or an outsider seller, the transportation management framework must guarantee zero harm and negligible misfortune in travel. A very much overseen coordination framework alongside impeccable invoicing are the two mainstays of secure transportation.

RETURN: Nobody is trustworthy. Indeed, even a machine may break down once in a million times if not more. As a piece of a solid business process, one may expect the arrival of merchandise under different conditions. Indeed, even the best quality control procedures may have unavoidable transient omissions. On account of such slips by, unavoidably pursued by buyer dissensions, a business must, instinctually, review the item/s and issue an expression of remorse. This makes a decent client holding, as well as keeps up altruism over the long haul (iQualify UK, 2018).

Finally, two major factors that could affect Aurora’s structuring, sourcing, purchasing, and supply chain are

1. The Weather – When cultivating plants, companies are susceptible to changing weather conditions that may harm their crops. Aurora has planned for this by producing most of their products at highly specialized, and highly technical indoor growing facilities.
2. Rate of growth – Demand waits for no-one. If a company cannot churn out product fast enough, someone else will. To that end, Aurora has partnered with Scott’s Miracle grow to help accelerate production rates.

**Advantages of Employing Just-In-Time**

The just in time philosophy of production seems to be only necessary when the supply outweighs the demand, or when the general demand for the product is mediocre at best. So, with that said, the answer to this loaded question will be from the perspective that the whole world is not clamoring to obtain Aurora’s very popular product at all times.

Aurora Cannabis Inc. is a company which is fit to use just-in-time philosophy for it is an efficient method to apply. The primary aim of this method is to minimize the goods the company held at any one time. The following are the advantages of JIT currently being used in the Aurora Cannabis Company (Reid & Sanders, 2016).

First, the space needed is less because there are no storage facilities needed. This advantage also reduces the cost of storage as they arise due to renting space. Reduction of wastes is another advantage of applying just in time. Due to the efficiency of the stock, there is a reduced number of damaged goods. In addition, the just-in-time method ensures smaller investment for companies those that do not have enough money for buying huge stock hence preferable for Aurora Cannabis Company. Finally, the just-in-time system controls the overproduction of goods in the company. This means that the company uses to reduce production and raw material costs (Reid & Sanders, 2016).

**Impact of Just-In-Time Philosophy**

Just-in-time philosophy, also known as JIT, is used regularly in different phases during production and manufacturing processes. Here are the various impacts of Just-In-Time in Aurora Cannabis:

**Decreasing Setups**

Advantages of small lot size (Yeh, 2018). The manufacturing and production of small portions provide more cost reduction and ensures high-quality production. In small manufacturing portions, products are turned easily, and mixing of products is done flexibly. This flexibility ensures the improvement of transport responsiveness. Methods of decreasing set up include clear setup operation, procedural set up operation and set up process analysis.

Group technology, GT, is manufacturing and an engineering philosophy that recognizes the similarities in the process and launches efficiency in product manufacturing and design.

**Restructuring the Company Floor**

The Just-In-Time philosophy helps in restructuring the company by developing a new approach and philosophy effect to the company layout – reduces movements, customer communications, simplicity, flexible and safety, and be orderly. In addition, there is material flow, selection of equipment, material checking, and planning requirement material.

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| **Quantitative Methods** | **Characteristics** |
| Trend Analysis | * Defines upward and downward pattern * Includes exponential, regression and triple smoothing |
| Seasonal Adjustment | * Demand vary time to time. * Made to baseline prediction and forecast |
| Decomposition | * Data separated in to cyclical, seasonal and trend * Random data does not have pattern * Forecast is made by projecting the pattern |
| Graphical Method | * Graph plotting * Patterns and trend are easier to plot |

|  |  |
| --- | --- |
| **Qualitative Methods** | **Characteristics** |
| Market Research | * Conducted through survey |
| Expert Opinion | * Opinions are widely sought * Opinion given on current trend |
| Focus group | * Consist of panel of customer |
| Historical Analogy | * New sale compared to previous sales. |
| Panel consensus | * Opinion provided by group of people. |

(Apics Forum, 2012)

**Quantitative Research**

Quantitative method of research has the following strengths:

This method provides a room for formulation of statistics. In addition, this method affords a macro view with the required information. Thirdly, any large sample enables a generalized conclusion. Furthermore, this research method enables the estimate of various data. Lastly, the application of manual ideas is put in to reality through automation which saves time.

Weaknesses of the Quantitative method:

The method reveals the extent of data but fails to give answers for the reasons.

**Qualitative Research Method**

Strengths of Qualitative method:

All solutions provided by this method are in detail hence satisfying the company need. The method focuses on small groups hence manageable. The data from small groups represents large population and thus saves time.

The following are the weaknesses of Qualitative research method:

This method collects data for small groups hence not right assumption is made for these groups. Moreover, there are difficulties in demonstrating, assessing, and maintaining the inelasticity of data. Other weaknesses of this research method is that there is time consumption for dig data (WeeTech SOlution, 2018)

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