Operations Management Education Review 1: 5-28.

Benihana: A New Look at an Old Classic

Ricardo Ernst and Glen M. Schmidt
Georgetown University

Abstract. This short case heavily references the "old classic" HBS case on Benihana, and is intended to be used in conjunction with a simulation that helps students gain insight into how Benihana achieved its profitability. The simulation helps bring out many key operational issues, such as how variability in demand and in processing can negatively impact profitability. The case analysis goes on to show how Benihana reduces variability, and illustrates concepts such as the product-process spectrum, the impact of a bottleneck, and the advantage of simultaneous product and process engineering.

Keywords: process analysis, simulation, variability, queueing.

1. Introductory Note

Benihana might be thought of as an "old classic" in Operations Management. The original Harvard Business School (HBS) version was published in 1972, but the Harvard case continues to be a best seller. This short case heavily references the HBS case, number 9-673-057 (rev. Dec. 14, 1998), however what has been added to enhance the case experience is a simulation that can be used to gain insight into how the operation achieves its profitability, as compared to other restaurants.

There is a set of web sites associated with this case note, intended for both students and instructors, at http://www.msb.edu/faculty/schmidtg/Benihana_Project/. Students are directed to this web site in the case itself, in order to help them navigate the process of analyzing the case. It provides not only a link to download an animated simulation, but also provides a link to download (free of charge) a demonstration copy of the Extend software upon which the simulation is based. (If you wish to go directly to the software download (version 5 is recommended), it is at http://www.imaginethatinc.com/prods_player.html. The web site developed by the authors of this case makes the entire process quite user-friendly – undergraduate business students and MBAs typically tackle the assignment without any need to demonstrate the software or the simulation itself in class. (Internet Explorer is recommended for the downloads.)

There is also an instructor-page at the web site. Here, instructors can register to gain access to an accompanying set of PowerPoint slides, along with the teaching note.