

## LESSON 6

### UNIT 6: PRODUCTION MANAGEMENT

#### *Lesson Objectives:*

#### *Students should be able to:*

- **Develop the knowledge on production management, which will lead the student to understand the overview of quality management**
- **Clarify the benefits of each aids of production**
- **Distinguish the factors determining the choice of location.**

#### *Definition:*

Production management, in particular is concerned with the provision of goods.

(Cole, G.A., 5<sup>th</sup> edition pg 295)

#### *Elements of Production Planning*

- Translate the consumer's requirements, as defined by the final pre-production design and preliminary sales forecast into production instructions
- Prepare production schedules for work and software program
- Plan supply of materials, parts, components etc
- Plan availability of machine, specify jobs, tools etc
- Allocate people/ work team
- Set production and quality targets
- Maintain stocks and purchasing records
- Advance order throughout the factory
- Work with marketing department
- Raise final production documents (delivery notes, invoices, etc)

(Cole, G. A. 5<sup>th</sup> edition, pg 297)

#### *Types of production*

- 1) Jobbing Production
- 2) Batch Production
- 3) Mass/ Flow Production

Muhlemann, A., Oakland, J., Lockeyer, K., 6<sup>th</sup> ed, pg 215-216)

(Cole, G.A. 5<sup>th</sup> edition, pg 304)

#### *Aids of Production*

- work study
- value analysis
- quality circles

(Cole, G. A., 5<sup>th</sup> edition, pg 308)

#### *Factors determining the Choice of Location*

- proximity to market
- proximity to the supply of raw materials
- availability of labour

- adequacy and cost of transport, power and fuel
- availability of vital support services
- suitability of climate
- reasonableness of state and local taxes
- special inducement offered
- availability and cost of land

***Main references***

Cole, G. A. (1996), Management Theory and Practice, 5<sup>th</sup> edition, Letts Education (chapter 38 and 39)

***Supplementary References***

(Muhlemann, A., Oakland, J., Lockyer, K., Production and Operations Management, 6<sup>th</sup> edition, Pitman Publishing (chapter 15)

