

# Process design for riordan manufacturing

Business



The essay is a proposal package for Riordan on how best it can utilize cheaper labor as well as the global opportunity to supply its product- electric fans. In addition, the essay touches on a production forecast for the business. The company employs close to 600 individuals and has a projection of almost \$50million. It manufactures plastics and is headquartered in California.

Through a branch in China, Riordan grew to produce electric fans. The company has a wider customer base. Those from the appliance industry, automotive parts and airplane manufacturers, those that make beverages, in the healthcare industries, department of defense constitute individuals that are supplied with the electric fans from the company. For any manufacturing company to remain competitive and cut itself an edge in this competitive world, adopting new technology coupled with management of all links from the onset to the last stage of production is very significant to smooth running of the business as well as customer satisfaction (Grooms, 2010). A supply chain by definition refers to the channels that a product is distributed from its initial stage of sourcing, through the intermediary stage of production till it reaches the end user. Those involved are mostly retailers, distributors, those that transport, the storage sector and finally the supplier.

Currently, the raw materials that meet the production activities of the company are received at in the relevant department, under go some processing then taken to the next level of production. It has been noted that there are a lot of waste during the entire process. This has created a lot of concern as more waste translates to higher cost of production. In addition, it is noted that to supply the orders needed by customers, there are issues for <https://assignbuster.com/process-design-for-riordan-manufacturing/>

instance delays (Simchi-Levi, 2007). Accordingly, after all production processes are due, the packaging department packs the product and takes them to the shipment department. To ensure that the issues in timely delivery of electric fans orders and cutting on wastes are addressed, there is need for the company to adopt supply chain management and lean production strategies.

According to Chase, (2005) a combination of these two; lean production and supply management coupled with adoption of technology will bring about a supply chain that is economical, much leaner for smooth flow of the products. According to Brooms, 2010 the benefit that will be brought forth by lean manufacturing include reduced time for manufacturing, lower costs of productions, increased earning for the company as the margin will widen, additionally, space will be created within the company, increased productivity of over 80% and reduced wastes. Opening up more branches to supply their product, using internet to sale the electric fans, utilizing the cheap and readily available labor, it well known brand together with the availability of wider market are great opportunities that need to be factored in by the company in its supply chain for the electric fans (Simchi-Levi, 2007). After careful scrutiny of the current state of the worlds economy, what consumer prefer, substitutes as well and competitive products to the electric fans manufactured by the china based company and the sales made in the previous financial year, for the company to meet the demands of customers there is need for it to manufacture another 10, 500 electric fan annually. From the review, of the two concepts, it is undisputable that proper management of supply chain is very significant in the smooth running of any

manufacturing company. Adopting new technologies as well as lean production is advantageous to both the manufacture and the consumer (Chase, 2005). For the company to sustain and meet the demand of her customers, it will need to manufacture an additional of 10, 500 electric fans every year.