

Norwegian salmon processing facility dethroned summary

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Norwegian Salmon Processing Facility Dethroned Summary : Anural

Dethroned operates a salmon processing facility where in it processed around 1500 pounds of salmon per hour and operates five hours a week in two shifts by 30 workers per shifts. The workers is being paid \$10 per hour, adding third shift to process more is not possible because it is time for cleaning.

So, the Plant manager contemplating a modernization where in they will use modern equipment that can possibly process 2000 pounds per hour with lower energy cost.

They were thinking hat new equipment will not give hardwire to workers for them to learn because it is made by the same manufacturer as what they were using currently. But Bicorn Peddles the production manager is doubting that the plan on using new equipment would be a good idea because of high cost to be paid everywhere Inch is \$10, 000 including its interest. Market Karen states that every expenses should be included in the analysis, and the energy cost might also be affect the decision especially when it will reduce 50% on " hat is currently being consumed.

Key facts: round 1500 of salmon being processed every hour using the current equipment by 30 workers. * around 2000 of salmon can possibly be process in every hour by using new equipment.

*older equipment is already been paid. Knew equipment would cost \$10, 000 per week. *energy cost by the current equipment is \$10 per unit with 1000 units. *energy cost by the modern equipment will reduce 50% of the energy cost of current equipment. Question and Answers : 1 . What is the <https://assignbuster.com/norwegian-salmon-processing-facility-dethroned-summary/>

productivity of the processing facility, with the equipment currently in use? *

The productivity of the equipment currently being used performs well now,

Ninth around 1 500 pounds of salmon being processed every each hour by

30 workers Ninth a energy cost of \$10 per unit with uniting.

2. What would the productivity of the plant become if the new system were purchased and implemented? *the putout will be increase while lowering its energy cost with a estimated 2 pounds per mourn to be process and energy cost will be tall by the current energy cost. 3. What would be the amount of additional expenses on equipment that would make the productivity of the two system equal. *the new equipment would cost \$10000 per “ eek for the principal and interest. 4.

At might happen if energy cost increase in the future? *the expenses will get high if the energy cost will be increase. Reaction: Every one of them has doing their work good, the idea of modernization is always good idea not only to upgrade the equipments but also to improve the output to be process in short time. But, every decision to be decide should consider every angle on Neat is better or best for the companies productivity, every expense should be calculated, and look if the company has opportunity to process more and get high sales to cover the expenses to be added by getting new equipment.