Artemis sportswear company

Business, Company

What production and operational cost expenditures can be minimized, without effecting productivity or overall quality of the manufactured goods? Artemisia Sportswear has Identified the need to reduce operation costs that In the end will Limit profit gains. This requires an in-depth examination of overhead, employment numbers, and production rates to determine the best course of action for effective company management. A research team has developed a strategy to study and address this particular issue and present the findings to the Board of Directors.

This research document will determine what production and operational cost expenditures can be enameled without effecting productivity or overall quality of the manufactured goods. Our team has discovered 3 keys for your company to reduce your overhead; cut production costs, employee reduction and production rates. Our first key is to cut production costs, as this is vital for the future of the business. Production cost is important to reduce because it decreases wastes, stalls over production, and limits possible defects in your company's products.

The second key is o reduce employment numbers, and in Dalton how best to conduct this normally sensitive area. We also want to show you that through the use of effective management and hiring processes, the hiring of quality people will save millions of dollars each year. The final key is production rates and how it is important to have a well-adjusted rate for competition. Production rate is important because customers are constantly looking for better quality products and services and lower rate.

Our team has examined these production expenses and the following will explain the ideas we have for your company throughout the operations department. Artemisia sportswear company needs to reduce their production costs by a significant amount, or else riskfailure. Our research team has developed several ways to reduce production costs; such as waste reduction, over production, and defects. Reducing waste in the total cost of production is a good way to cut cost, and having too much product can create profit loss in your company.

Waste reduction is an Important element of minimizing total cost of production (Wald, Johann, ; Aim, 2010). If our company minimizes waste In production by recycling defected products, or scrap material you may gain profit back by reducing any unused expenditures. In practice, the costs incurred in a production process include manufacturing costs, materials costs, quality loss cost, inspection costs, rework costs, and scrap costs (Wald, Johann, ; Aim, 2010). The team suggests selling defected products at a lower rate and creating a limited-time featured Item at a " special price" for items that are over produced.

For Instance, If you eliminate the excess Inventory that Is spread ore useful than idle inventory (Reginald, 2011). This will help profits and limiting waste within your company. Another way for Artemisia Sportswear to reduce waste would be to cut down on equipment procedures and modernize the equipment being used. Some examples are to include using energy saving light bulbs, reducing usage of heating and air conditioning within the buildings, having a well-insulated building, and reducing the amount of equipment used to produce the products.

Older devices consumed more electricity and generated more heat than newer products (Leper, 2011). The benefits that modern equipment brings are that they are easier to use and more reliable to use with the products you are selling. Also by modernizing the equipment your company currently uses, will also add more benefits to your products and increase profit margin by ways of added design features. A path of output fleet modernization led to several things worthwhile - profound savings, reduced paper consumption, operational efficiencies and heightened environmental friendliness (Leper, 2011).

We want to render the company further to be modernized and environmentally friendly. We believe every path leads to something worthwhile" (Leper, 2011). Artemisia Sportswear Company has a large number of producers; our goal in this section is to reduce that number by 30%. As a research team we do not want to target a certain group of employees. Most employers whom downsize will target these three types of groups; those who do not work as hard, employees based on age, gender, race, and sexual preference. To be sure, the term " targeted" could be interpreted in several ways.

For example, it might mean (a) not random, and therefore based on performance; (b) strategic, and Hereford based on a particular organizational unit, such as a division or a specific line of business; or (c) cuts in pay (perhaps according to a sliding scale by organizational level), capital expenditures, or other operating expenses (Socio & Peg, 2004). As a research team we want to encourage you to not make these decisions based age, gender, race, or sexual preference, as we pointed out, but to make the decision based on what is best for your company.

The best way to really cut expenses in this example is to drastically cut pay from higher paid employees and educing employees based on performance. We want to increase your employeeloyaltyby showing employees that the company cares about their well-being, as this typically leads to better production out of your employees. Restructuring, including downsizing, often leads to predictable effects diminished loyalty from employees (Socio & Peg, 2004). Assuring the employees that Artemisia Sportswear is making these decisions based on performance and pay cuts will increase their loyalty.

We also want to increase your company's profits, but in order to do so you must make a UT in your company's workforce, because as the law goes, happier employees creates more production which naturally leads to a reduction in employees. Another point is common among managers is that by downsizing the workforce, sometimes through across-the-board cuts in employees, boosts company profits (Socio & Peg, 2004). So, by an overall reduction in your workforce by this small amount will begin to increase your profit margin.

We want to increase your company's rivalry with other competitors and prove to other companies and customers that your product is worthy of the industry in sportswear. When new competitors enter an industry the key to expansion within your company, by producing further enhanced and least expensive goods and services to the loyal customers within the industry. We want to increase the type of products that are for sale and the amount you sell them for. The intensity of rivalry among existing competitors can obviously influence company profitability (Sack & Nadia, 2002).

We want to refrain from intense and extreme rivalry with your competitors. Intense rivalry may influence your profitability, but it can also result in all sorts of problems. We want to increase competition between companies, but in minimal amount. Firms in one industry may produce products that compete with products in another (Sack & Nadia, 2002). New and improved products are more reliable to customers; customers are also more fascinated to these newly developed products. We want to create highly enhanced products that will fit every customer's needs.

For instance, minor league baseball not only competes with other sports events, but also amusement parks, theaters, substitute products such as pay-per-view cable channels that show first run movies or video stores that offer much better prices for movies once they have left theaters are major competitors (Sack & Nadia, 2002). We would like to suggest using limited time special products such as, professionally signed products like; baseballs, basketballs, hockey sticks, sports shoes, etc.

The company would also benefit from having a limited time meet and greet with famous athletes. This will improve competition and allow a minimal amount of rivalry. The buyers of an industry outputs can lower the industry profitability by bargaining for higher quality or more services, and forcing down prices (Sack & Nadia, 2002). This is why as a company you should not give in to the customers' desire in change, as you will not always change your prices to please your customers, instead you can offer great quality for an affordable price.

Buyers have the upper hand when an industry products are relatively undifferentiated (Sack & Nadia, 2002), but your company will not give buyers the upper hand. As a supplier to the sportswear industry you will want to increase your profitability as much as possible. Our team wants to make the company as a supplier more powerful within the competition. If there are only a few companies hat supply an entire industry, these powerful suppliers can squeeze profitability out of an industry unable to cover cost increases in its own prices (Sack & Nadia, 2002).

This is where suppliers become more powerful by increasing profit and quality of the products being sold. When industries have limited access to materials needed for production, the power of suppliers becomes a major competitive force (Sack & Nadia, 2002). Your company will need to search for all the materials needed for your production and try to provide the products that the customers need and ant. Our research team has explained the 3 keys for Artemisia Sportswear Company to reduce costs and cut out any unneeded expenditures.

We are confident that what we have explained in detail will save your companymoneythrough the processes explained above. We would like to assure the company that these time-proven, and highly successful ways of helping your business grow. If you would only imply these principles every so often when replacing equipment, you would be practicing a much needed pruning in your company which is necessary for any living thing to grow much more fully.