

Danshui Plant No.

Thank you

Keep fighting...

Conclusion

Workers is recommended to implement new time schedule plan and pay for performance policy to achieve best Apple's contract terms and conditions by 31 May 2013.

Justification

1. Most cost effective way to boost up production level under same capacity
2. Motivate employees morale and increase their welfare
3. Active working curve affect under well organized OT plan

Recommendation

Max balance strategy is advised:
Over-time schedule plan plus pay for performance policy

With retention



Alternative analysis



Data analysis



Problem statement

Exhaustive waste production
Lack of staff full time
Inefficient waste management in waste clean activities
Inefficient waste management in waste clean activities

Introduction

Apple Inc. is a leading technology company in the world. It is known for its innovative products and services. The company has a long history of success and is currently one of the most valuable companies in the world.



Present to Prof. Ku Nor Izah Binti Ku Ismail

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Thank you

Keep fighting...

Danshui Plant No.

Conclusion

It was recommended to implement over time schedule plan and pay for performance policy in order to meet Apple's contract terms and conditions by 11 May 2011.

Justification

1. Most cost effective way to boost up production level under same capacity
2. Motivate employees' morale and concern their welfare
3. Achieve learning curve effect under well organized OT plan

Recommendation

Mix balance strategy is advised:
Over-time schedule plan plus pay for performance policy

Interpretation



Alternative analysis



Data analysis



Problem statement

Danshui is underproductive
1 unit of quality labor
Insufficient information to make their workers
Innovative experience in managing operations

Introduction

Danshui Plant No. 1 is a major manufacturer of the world's most popular electronic products.
It has a reputation of being the plant that produces the most reliable products.
The plant has a long history of producing high-quality products.



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Introduction

Danshui Plant No.2 is a contract manufacturer that assembled electronic products

In high expectation of demand for iPhone 4, Apple had contracted with Danshui to assemble 2.4 million iPhone 4

Wentao Chen, manager of Danshui was anxious upon reviewing the monthly operation's performance for August as in the third month of the contract, production was only 180,000 units



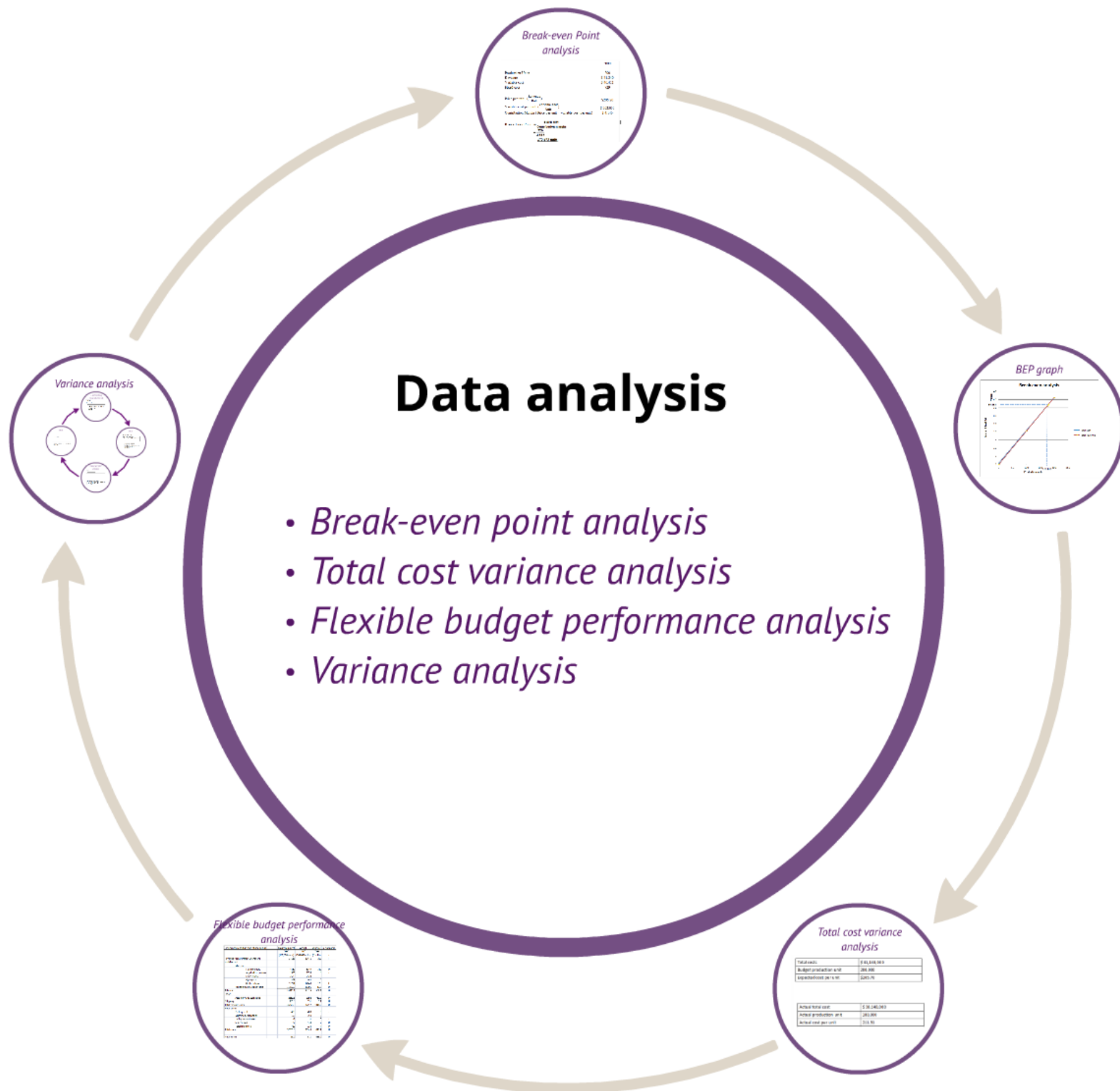
Problem statement

Danshui is underproduction

Lack of qualified labor

Insufficient information to train their workers

Insufficient experience to manage operation



Break-even Point analysis

	<u>'000</u>
Production Units	200
Revenue	\$ 41,240
Variable cost	\$ 40,411
Fixed cost	729
Price per unit ($\frac{\text{Revenue}}{\text{Unit}}$)	\$206.20
Variable cost per unit ($\frac{\text{Variable cost}}{\text{Unit}}$)	\$ 202.055
Contribution Margin (Price per unit - variable cost per unit)	\$ 4.145
Break Even Point = $\frac{\text{Fixed cost}}{\text{Contribution margin}}$ $= \frac{729}{4.145}$ $= \underline{\underline{175.875 \text{ units}}}$	

BEP graph

