

Production Management

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MEANING & CHARACTERISTICS OF PRODUCTION

MEANING

According to Myers “Production means creation of material goods with the help of human labour, raw materials and machinery.”

In the words of Starr, “Production is any process or procedure designed to transform a set of input elements into a specified set of output elements.”

CHARACTERISTICS OF PRODUCTION:

- Creation of Utility
- Value added
- Utilisation of Resources
- Goods and Services
- Process
- Use of Machinery

❑ MAIN FEATURES OF PROCESS OF PRODUCTION

- Mechanism
- Specialisation
- Use of Scientific Methods
- Research and Development
- Modern Equipment Techniques

❑ PRODUCTION PROCESS SYSTEM (Types of Manufacturing Process)

▪ On the basis of type of process

- Continuous Production
- Intermittent Production

▪ On the basis of production work

- Synthetic Process:
- Analytical Process:
- Repetitive Process:

▪ On the basis of production planning and control

- Job Production
- Batch Production

MEANING & CHARACTERISTICS OF PRODUCTION MANAGEMENT

❑ **Meaning of Production Management**

- “Production management means application of the principles of management to production activity”
- In the words of Whither, ‘Production Management concerns itself with the preparation of production designs and organisation of production conformity with them.’”

❑ **Characteristics of Production Management**

- Inclusion of all Matters Related to Output
- Inclusion of Managerial Functions
- Importance of Planning
- Predominance of Control
- Use of Quality Control
- Strategic Decisions
- Flexibility

SCOPE OF PRODUCTION MANAGEMENT

- Production Planning
- Product Development
 - a) Diversification
 - b) Standardisation
 - c) Simplification
- Production Control
- Quality Control
- Inventory Control
- Purchasing and Storage of Material
- Material Handling
- Location of Factory and Physical Facilities
- Plant Layout
- Administrative Structure
- Personnel Problems
- Determining Work Methods

MEANING OF PRODUCTION PLANNING

Production Planning may be defined as the technique of foreseeing or picturing ahead, every step, in a long series of separate operations, each step into be taken in the right place, of the right degree and at the right time and each operation to be done at maximum efficiency.

According to Smith and Stackman,

“Production Planning takes a given product and organises in advance the manpower, material, machine and money required for a predetermined output in a given period of time.”

FUNCTIONS OF PRODUCTION PLANNING OR (Scope of Production Planning)

- Estimate of Production
- Production Mix
- Method of Production
- It Facilitates the functioning of other Departments too
- Prepares Management to Face Contingencies
- Facilitates Control over Production
- Psychological impact on the employee
- Helps management in Decision – making
- Facilitates Supervision
- Raises Prestige of Business

MEANING OF PRODUCTION CONTROL

As Kimball and Kimbal stated about Production Control, “The purpose of production control is to see that the required product is produced in the best and the cheapest method, it shall be of required quality, and it should be produced at the required time.”

According to Henry Fayol, Production control may be defined as the art and science of ensuring that all which is in accordance with the rules **established** and the instructions issued.”

The Process (Procedure) of Production Control

- Routing
- Scheduling
- Dispatching
- Follow-up

ADVANTAGES OF PRODUCTION CONTROL

- Delivery of Goods in Time
- Continuity in Production
- Control Over Material
- Cost Control
- Increased Morale
- Mistakes Corrected in Time
- Work load of Supervisors Reduced
- More Earning to Workers
- Reduces Wastage of Materials
- Maintaining Quality
- Increased Productivity
- Efficient Purchasing
- Raises Prestige of the Firm