



Manufacturing: Bill of Resource Analysis

Ever wonder what that new order means in terms of its demand on manufacturing resources?
 What does a Sales Projection mean to the Manufacturing Department?
 How should Manufacturing respond to a Tender of a lifetime?
 What will it take to finish all Pending Orders?

*The answer to this and many other resources related questions that haunt the manufacturing function head, management team of an organization or an entrepreneur can be found in a software; **EnterpriseBiz™ Manufacturing** (code named "Manfrex").*

EnterpriseBiz™ Manufacturing module works in conjunction with EnterpriseBiz™ Sales and Inventory modules to provide resource break-up for items in various situations.

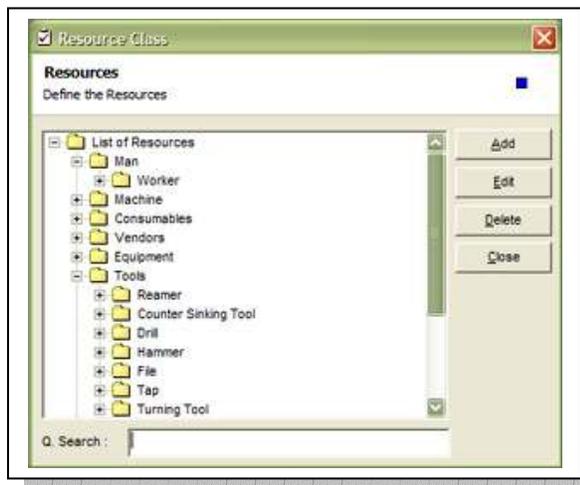
RESOURCES AND COSTING

Using the software, you can define all manufacturing resources in a hierarchical fashion. Manfrex allows you to define the measuring unit and the costing (or consumption) unit for every resource so defined. You can specify the rate per consumption unit as a direct figure or use the built in formula equator to arrive at the rate per

consumption unit by first defining the factors of costing.

To determine cost per consumption unit for a raw material or a machine itself is a complex task for many organizations. Manfrex not only eases the resource break-up analysis but also helps you build a standardized mechanism for costing for your organization.

Activities / Resources	Quantity	Unit	Rate	Amount	Dura
- Bill of Resources					
+ Main Body Reaming Pair	000:03:41	Time	0	108.17	8:00:
- Counter Sinking Pair	000:02:44	Time	0	3.42	8:00:
Drilling Machine, 23K	2.74	EU/NT	0.06	0.16	0
Worker	2.74	Time	1.14	3.12	0
Counter Sinking Tool ...	0.058	Nos	432	0.14	3000
+ Seat Turning Pair	000:12:00	Time	0	15.39	8:00:
+ Surrission Pair	000:00:01	Time	0	2	8:00:
+ Threading Pair	000:04:48	Time	0	6.06	8:00:



Costing factors and Rates are inherited by the child resource when you create a hierarchical tree. This saves time and provides accuracy.

By default, the resources are categorized into:

- **Men**
- **Machines**
- **Materials**

You can further categorize the above into 2nd level for better understanding of your specific setup.

For example, "Men" can be further classified as "Supervisors" and "Workers". "Machine" can be

further classified into “CNC”, “Semi-Automatic”. “Material” can be further classified into “Raw Material”, “Semi-Finished”, “Finished”, “Tools”, “Consumables” etc.

ACTIVITIES

Manfrecx is a general purpose tool for any manufacturing company to record and analyze the resource break-up.

It allows you to define the Hierarchical List of activities performed by your manufacturing department.

You can define the usual manufacturing activities that happen in the process of producing an item. Typical activities could be “Polishing”, “Deburring”, “Cutting”, “Grinding”, “Milling” and so on.

OVERHEADS

No production happens without certain general overheads. The software allows you to define the Overheads of manufacturing.

Typical overheads include:

- o Electricity, Captive Power
- o Factory Complex Maintenance

But you can add more components as per your desire; for example “Staff Welfare”.

There is no rule of thumb for arriving at the cost. There are only best practices and prescribed methods. Manfrecx offers a framework within which, you can experiment and can quickly establish a method of determining the time, cost and resource requirements for various manufacturing items. You can change the components of production, rate per consumption, quantities and look at the “What If” scenarios.

BILL OF RESOURCES (BOR)

BOR is the logical grouping of Activities performed and Resources Utilized for producing a single item.

For every item in your Item Tree (EnterpriseBiz™ Sales), you can define a BOR document; applicable with effect from a date. BOR is a document containing hierarchy and order of activities and resources used thereof.

The BOR tree looks somewhat like this:

ITEM-A

1.0 ACTIVITY-1 | Time

1.1 Resource-1 | Qty

1.2 Resource-2 | Qty

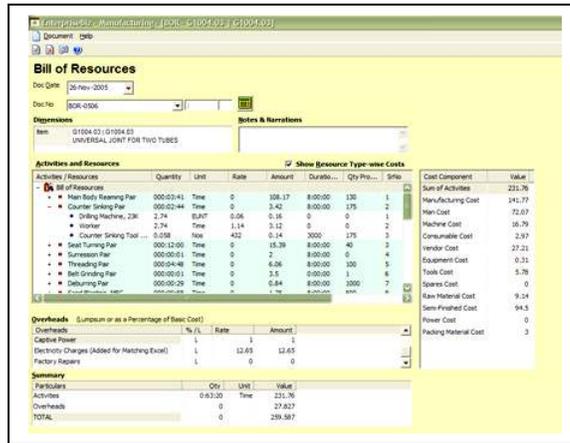
1.3 Resource-3 | Qty

2.0 ACTIVITY-2 | Time

2.1 Resource-1 | Qty

2.2 Resource-2 | Qty

TOTAL OF TIME AND COST



As a summary, you can determine the approximate time required to produce one item and the cost (sum total of resources and overheads) thereof.

REPORTS

Following interesting reports can be generated to use the resource break-up information:

- Resource Break-up for a Sales Document (e.g. Quotation, Order, Invoice etc) (what does it take to fulfill the Quote or an Order OR how much does it cost us as compared to what we have charged the customer?)
- Resource Break-up for Pending Orders (what all will we require to complete the pending order? How much will it cost us to complete the order?)
- Resource Break-up for current Stock (what all went into making what we have in stock or what is the manufacturing cost of what we have in stock?)
- Resource Break-up for items listed in an Excel file (just a what if analysis for a probable tender, sales projections, damaged stock etc)
- Resources – Where Used (where all is a particular machine or a raw material used? Which all items make use of a given resource?)

FOR MORE INFORMATION

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