



## Production

Production is a concept that relates to the responsibilities and management surrounding production and operations. It is concerned with both the administration of products and services. The areas of responsibility incorporated within this concept are often represented as 5 Ms; specifically, men, machines, methods, materials, and money. Important decisions are understood to be those related to the location of production sites; whether production has the aim of increasing stock or is made to order and the number of product varieties produced; and whether certain industry practices, for instance lean methods, are utilised.

### Using 'Production'

Step 1: Areas of responsibility are examined in turn. The management of staff, machinery or assets, organisational processes, materials or stock, and capital or expenditure are evaluated in order to determine whether improvements may be made in their management.

Step 2: Critical decisions relating to where the good or service is produced, the variety of products or services, and objectives of production process are made. The decision is made too regarding the implementation of lean methods or use of new technologies to optimise production.

