

Introduction

In manufacturing, we calculate costs for each job by considering how long it takes, the quantity being produced, and rates for labor and overhead. By adding up these costs, we get the total expense for the entire manufacturing process, ensuring a clear understanding of financial inputs at each step.

Business process

it's crucial to figure out how much it costs to make things. So, we need to look at both the money spent on workers (labor) and other expenses like equipment and facilities (overhead). To do this, we calculate the cost for each job a bit like this: for each task, we see how much time it takes, how many things we're making, and the cost of workers and equipment. After adding up all these costs, we get the total price for making everything. It's like making sure we know exactly how much money goes into each step of the manufacturing process.

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