Case study

Manufacturing system

ZAVI S.r.l.

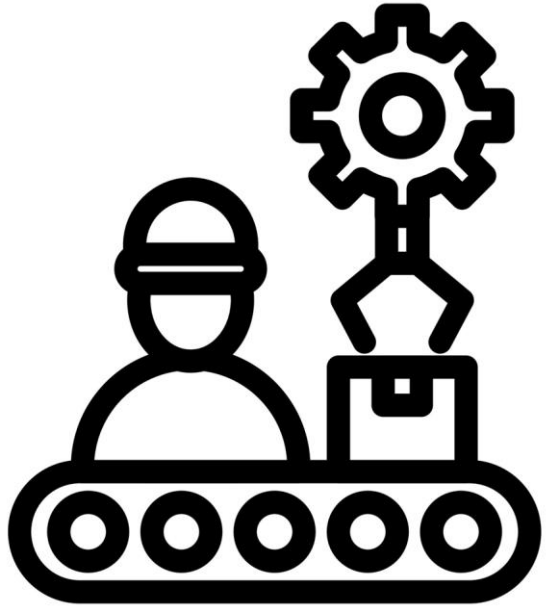
APPLICAZIONI ELETTRONICHE

Index

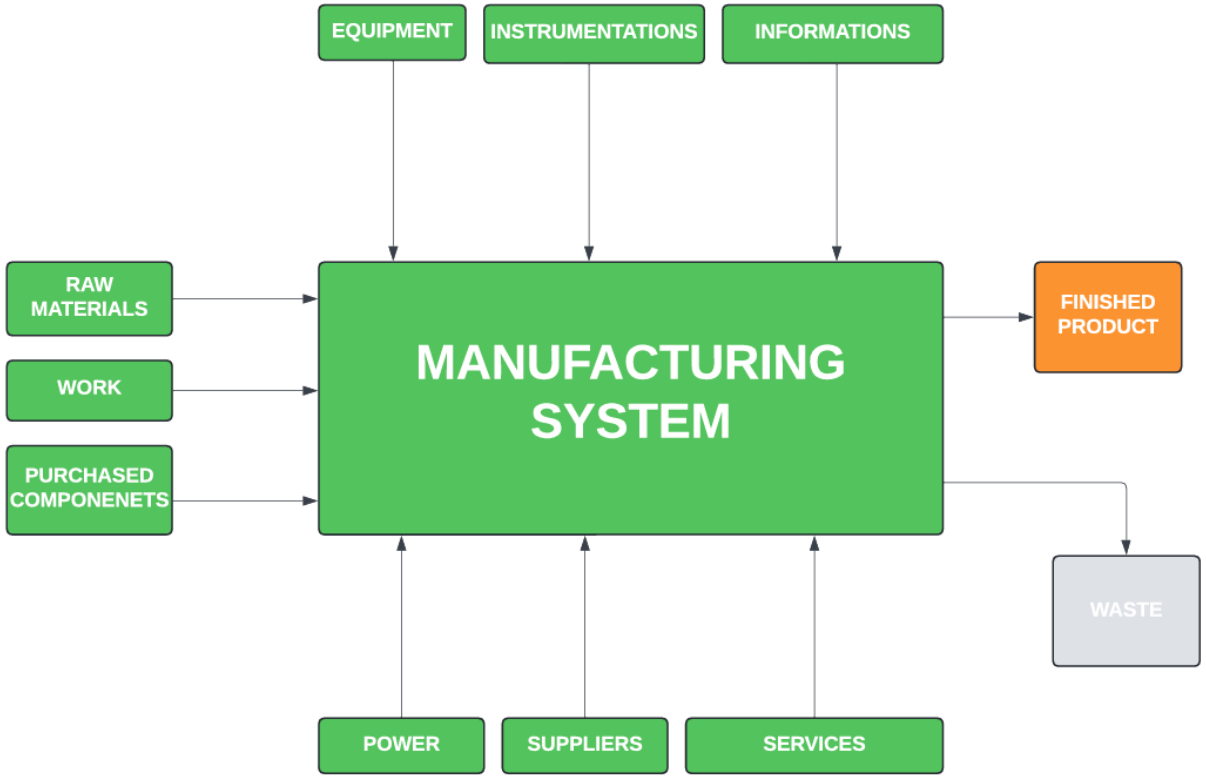
Introduction to the case study

- In Italy, the manufacturing sector has great economic and historical relevance, contributing significantly to the national GDP and employing a substantial part of the workforce.

- Italian manufacturing is known for its diversification and quality, with a strong presence in sectors such as automotive, textiles, agri-food, design and precision mechanics. In the Italian context, the evaluation model for manufacturing costs is of particular importance, since the country often finds itself facing challenges related to global competitiveness, the search for efficiency and cost management. Italian manufacturing is often characterized by a strong specialization in high quality and value-added products.
- The cost evaluation model should take into account investments in advanced technologies and their impacts on production costs and operational efficiency.



Main cost elements in manufacturing

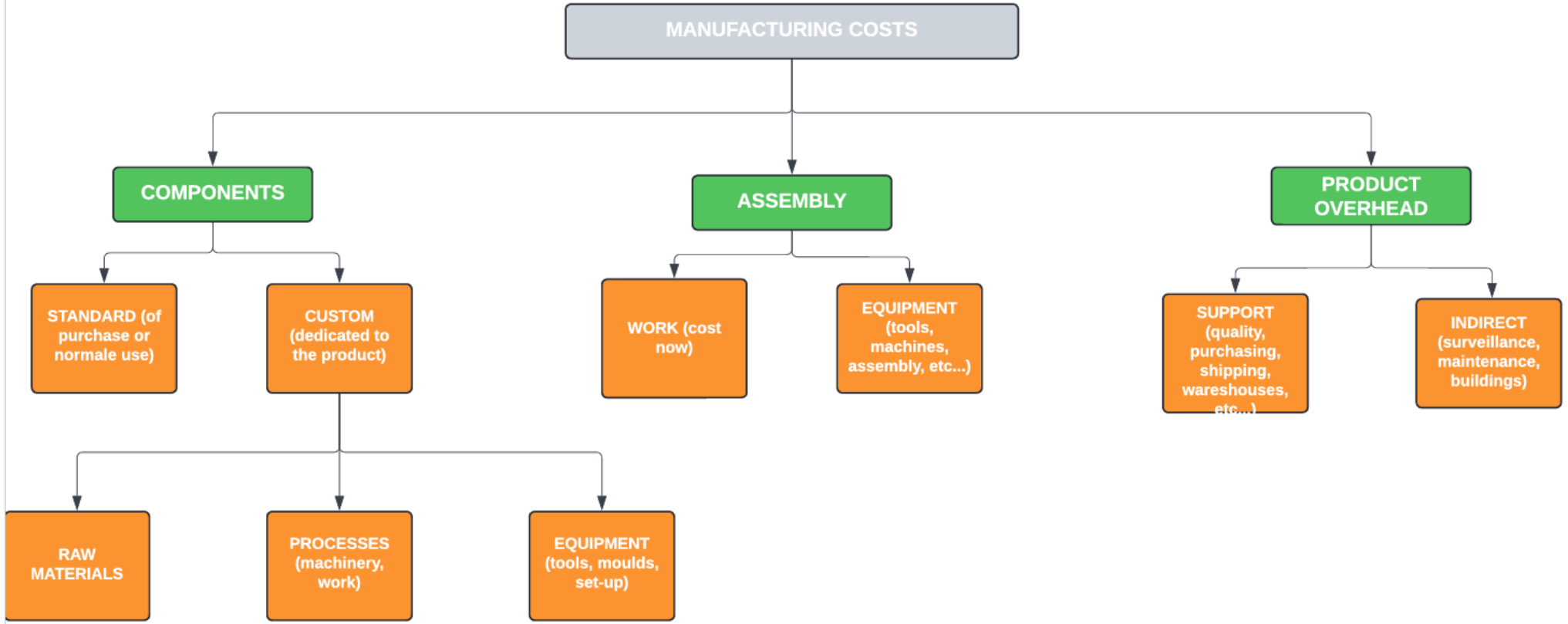


Evaluation model for manufacturing costs

- This slide presents a complete and integrated picture of the pricing model for manufacturing costs, focusing on the manufacturing system as the central focus.
- In this context, the elements presented can influence the production planning and the scoring during the audit phase.

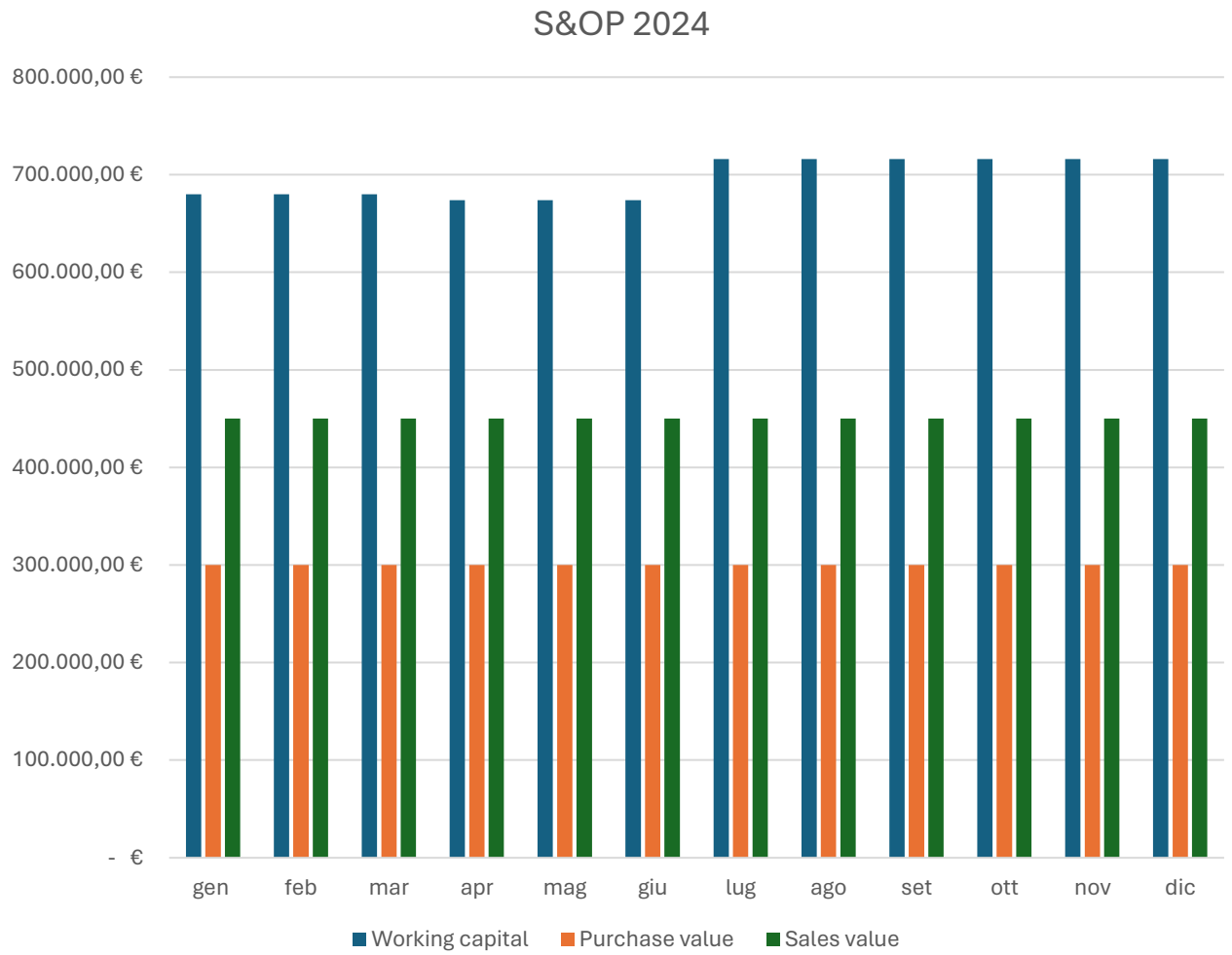
Main manufacturing cost elements

We can use a model based on data integrated into operations to better understand how manufacturing costs resulting from components, assembly and production overhead can interact and influence each other



S&OP Integrated Process

- The data-based model is useful for better understanding the S&OP process, in which the economic values of working capital, the value of purchases and the value of sales converge.
- The S&OP process allows you to optimally balance supply and demand, minimizing operating costs and maximizing overall efficiency.



Analysis of the results

- The results of our S&OP indicate that production costs are mainly influenced by raw material and labor cost variables, while costs are more sensitive to variations given by elements such as components and assembly.
- The advantage obtained concerns the accurate forecast of costs through the S&OP chart, which can guide pricing decisions and margin management.

Strategic considerations

In the value chain, the S&OP process involves several key functions, contributing to the integrated management of supply and demand.

Margin management

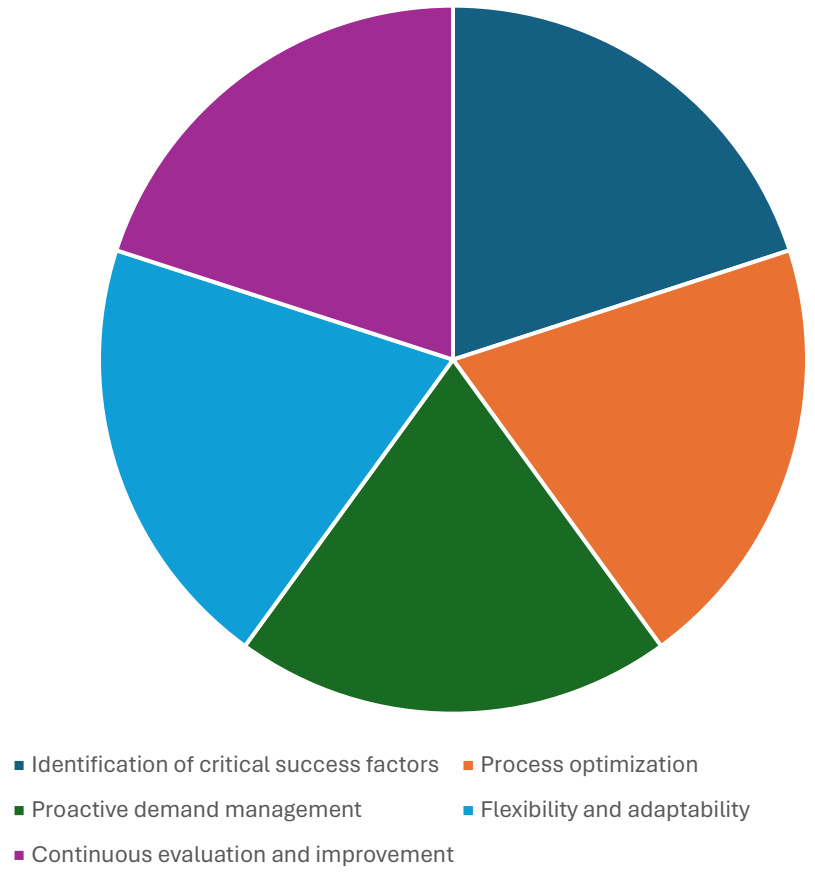
- Pricing strategy
- Costo control
- Assortment management
- Customer segmentation
- Promotions

Customer satisfaction

- Production flexibility
- Collaboration with the supply chain
- Risk analysis
- Portfolio management
- Organizational agility

Conclusions

- In conclusion, the effective implementation of the S&OP process can offer significant competitive advantages to the manufacturing company in Italy, allowing for better management of supply and demand, greater operational efficiency and greater overall profitability.



Thank you!!!

Company name: zavi srl

Foundation: 1995

Head office location: Frosinone (IT)

Number of employees: 28

Business area: wiring, cabling

Directors: Alberto Emanuele, Nico Emanuele

Executive Office: Francesca Manca, Manuela La Marra