**Cost-effective operations and competiveness**

Explain how the following can lead to increased productivity and explain possible disadvantages of these methods:

|  |  |  |
| --- | --- | --- |
| Method: | Impact: | Disadvantages: |
| Training |  |  |
| Better equipment |  |  |
| More effective  Work practices |  |  |
| Performance  related pay |  |  |
| Increased motivation |  |  |

How do you calculate productivity?

Explain how the following can reduce costs:

|  |  |
| --- | --- |
| Purchasing |  |
| Relocation |  |
| Design |  |
| Overheads |  |

S+C: What is the problem with trying to set competitive prices?