|  |  |  |
| --- | --- | --- |
|  | **TCS** Vijay | **DOC.NO: M.122.NC** |
| **EFFECTIVE DATE: 04/05/2009** |

**Establishing Targets & Resources**

**1. Introduction**

This document outlines the process for establishing targets and securing necessary resources for food product manufacturing under NIC Code 10101. Effective target setting and resource allocation are crucial for achieving operational efficiency, meeting regulatory requirements, and ensuring sustainable growth within the food industry. This process must align with the overall business strategy and consider market trends, consumer demands, and internal capabilities.

**2. Defining SMART Targets**

**Targets should follow the SMART criteria:**

* Specific: Clearly define what needs to be achieved. Avoid vague or ambiguous language. For example, instead of "Increase sales," specify "Increase sales of product X by 15% in the next quarter."
* Measurable: Establish quantifiable metrics to track progress. This could involve sales figures, production output, waste reduction percentages, or customer satisfaction scores.
* Achievable: Set realistic and attainable targets based on available resources and market conditions. Overly ambitious targets can lead to demotivation and failure.
* Relevant: Ensure targets align with the overall business objectives and strategic priorities.
* Time-bound: Set deadlines for achieving each target. This creates a sense of urgency and facilitates progress tracking.

**Examples of SMART Targets:**

* Production: Increase production efficiency by 10% within six months by implementing lean manufacturing principles.
* Sales: Achieve a 20% increase in sales of organic products within one year by expanding distribution channels.
* Quality: Reduce product defects by 5% within three months by improving quality control procedures.
* Sustainability: Reduce water consumption by 15% within one year by implementing water-saving technologies.

**3. Resource Allocation**

Securing necessary resources is critical for achieving established targets. This includes:

* Financial Resources: Budget allocation for raw materials, equipment, labor, marketing, and research and development.
* Human Resources: Skilled workforce with expertise in food processing, quality control, and safety. This might involve recruitment, training, or upskilling existing employees.
* Technological Resources: Modern equipment, software, and systems for efficient production, inventory management, and quality control. Consider automation and technological upgrades to enhance efficiency and reduce waste.
* Raw Materials: Secure reliable and sustainable sources of high-quality raw materials. This involves establishing strong relationships with suppliers and implementing quality control measures throughout the supply chain.

**4. Compliance Notes**

* Food Safety Standards: All activities must comply with relevant food safety regulations (e.g., FSSAI in India, FDA in the US, etc.). Resource allocation should include provisions for regular inspections, audits, and adherence to best practices.
* Environmental Regulations: Consider environmental impact and comply with relevant regulations regarding waste management, water usage, and emissions. Sustainable practices should be integrated into target setting and resource allocation.
* Labor Laws: Ensure compliance with labor laws regarding working conditions, wages, and employee benefits.

**5. Practical Guidelines**

* Regular Monitoring: Establish a system for regular monitoring of progress towards established targets.
* Data Analysis: Utilize data analysis to identify areas for improvement and make necessary adjustments.
* Risk Management: Identify potential risks and develop mitigation strategies.
* Flexibility: Be prepared to adapt targets and resource allocation based on changing circumstances.

---