

**Module 10**

MEMORANDUM TO Decision Maker, Craft Studio Furnishings

FROM: Jose Eneas da Silva Maria

DATE: April 12, 2025

RE: Weekly Production Optimization Recommendations

# Overview

Craft Studio Furnishings is investigating the optimal allocation of its limited labor resources across five products: table chairs, easy chairs, loveseats, coffee tables, and end tables. The objective was to determine the weekly production mix that would bring the highest possible revenue while adhering to your labor constraints.

To achieve this, we conducted an analysis of the time required for each product in different workshop areas and its respective contribution to revenue. Additionally, we respected the studio’s established production limits for the introduction of new products (coffee and end tables) each week.

# Key Recommendations

Based on the analysis, here is the recommended weekly production plan:

|  |  |
| --- | --- |
| Product | Qty |
| Loveseats | 20 |
| Coffee Tables | 10 |
| End Tables | 10 |
| Table Chairs or Easy Chairs | 0 |

This plan fully uses all available labor hours in each department and respects the production limits for the novel items. It gives you the best return based on current conditions.

# What This Means for CSF

We focus on your most profitable items (loveseats, coffee tables, end tables) and pause production on lower-return items (table and easy chairs).

All three workshops — framing, stretching, and finishing — are operating at full capacity, which means our resources are being used efficiently.

We are also hitting the current maximum allowed production of your new products, showing strong demand and opportunity for growth.

# Next Steps

To grow revenue further, we suggest looking at options such as:

* Expanding the number of coffee and end tables allowed per week
* Hiring more staff or extending hours in any of the three workshops

These changes would give you more flexibility and higher earnings.

Sincerely,

Jose Eneas da Silva Maria

Operations Analyst



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