

CONFEDERATION OF INDIAN INDUSTRY

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Technical Session V

**TCM – FORWARD AND BEYOND AN
ENTERPRISE**

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THREE DIMENSIONS TO REVIEW “BEYOND”

- The Type and Extent of Enterprise
- The Owner and Motivator – CFO, CEO levels
- The Techniques

TYPE OF ENTERPRISE

Sectors and Business Enterprises (for profit)

- Manufacturing expanding to Services

Further to

- Agriculture
- Public Goods
- Defence & Space
- Macroeconomic Management

FACTORS OF “BEYOND”

- Wastage and Cost to Value is probably the Highest
- Move to Corporate Boards /(Financial) Holding Conglomerates
- Government/Legislative
- Global Commodity pricing driven by Cost Management
- Global Movement of factors of production across borders

A REVIEW - TCM

- Cost Data used to develop superior strategies & operational excellence
- TCM gives a clear understanding of the cost structure in search of competitive advantage
- Managerial use of cost information in
 - Strategy formulation
 - Communication of strategy
 - Implementation

TYPES OF ANALYSIS

- Value Chain Analysis
- ABC (Activity based costing)
- Target costing
- Competitive Advantage Analysis
- TQM
- JIT
- Data Analytics
- BENCHMARKING
- TPM
- Lean Operations Management
- Balanced Scorecard
- Theory of constraints
- Continuous Improvement (Kaizen)

NEW TECHNIQUES

COMPETITIVE ADVANTAGE OF NATIONS

- Capital Cost at a Macro level also at Micro level
- High level Risk cost analysis
- Each type of capital (Labour, Money etc.,) and value add evaluation at a macro level and global resources management
- A matrix of Factors of production and relative cost value per unit / volume variance
- Country level Cost Management / Value Addition/ value creation
- Technique to facilitate Resource-heavy regions to re-evaluate cost of resource – extraction/utilization, sustainable cost management to aid pricing
- Geopolitical realignment of sustainability/ cost and value by TCM