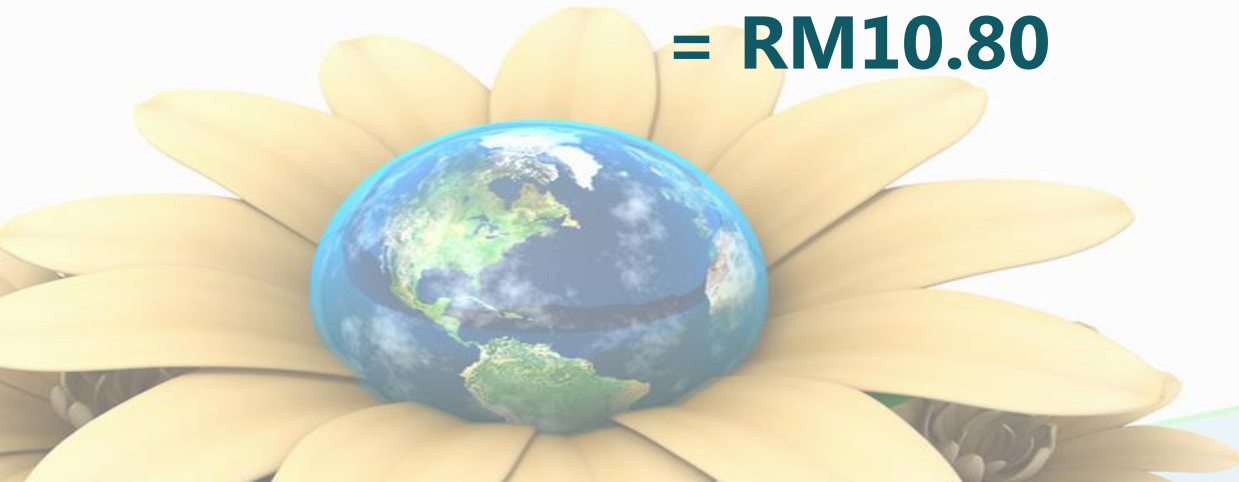


Incentive Scheme: Solution

Current situation:

$$\begin{aligned}\text{Cost of direct labour} &= \text{DLHs} \times \text{Cost of DLH per hour} \\ &= 9,00 \text{ DLHs} \times \text{RM12.00} \\ &= \text{RM10,800}\end{aligned}$$

$$\begin{aligned}\text{Cost per unit} &= \text{Cost of direct labour} \div \text{Total units} \\ &= \text{RM10,800} \div 1,000 \text{ units} \\ &= \text{RM10.80}\end{aligned}$$



Labour Turnover Rate

- Labour turnover occurs when employees leave their job and have to be replaced.
- A measure of the rate at which employees are leaving and have to be replace.

- $$\frac{\text{Number of employees leaving}}{\text{Average number of employees positions in the year}} \times 100\%$$



Special Labor Cost Problems

- Shift premium
- Pensions
- Bonuses
- Vacation and Holiday pay



Preview from Notesale.co.uk
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