

Plant Bonus Calculation Steps:

1. Calculate Individual Employee Bonus Contribution:

- Determine the efficiency percentage and corresponding bonus rate from the Plant Bonus Table. • Multiply the bonus rate by the hours worked.

- Example: If an employee worked 8 hours with 152.4% (1.52) efficiency:

$$\text{Bonus Rate} = \$4.78/\text{hr. (From Bonus Rate Table)}$$

$$\text{Bonus Contribution} = 4.78 \times 8 = \$38.24$$

2. Total Employee Contributions:

- Sum the bonus contributions of all employees.
- Example: Total plant bonus contribution of all employees:

$$\text{Total Bonus Contributions} = \$2044.84$$

3. Total Hours Worked:

- Sum the total hours worked by all employees.
- Example: Total hours worked:

$$\text{Total Hours Worked} = 379.0 \text{ hours}$$

4. Calculate Reject Dollars Lost:

- Find the reject dollars lost using the Data Grids (Green Rejects at 70% and Fired Rejects at 100%). Example:

$$\text{Total A4 Rejects} = \$1467.41$$

$$\text{Total F4 Rejects} = \$2837.64$$

- Calculate the reject loss:

$$\text{A4 Reject Loss} = 1467.41 \times 0.05 = \$78.37$$

$$\text{Other Reject Loss} = 2837.64 \times 0.07 = \$198.63$$

$$\text{Total Reject Loss} = \$78.37 + \$198.63 = \$272.01$$

5. Subtract Reject Loss from Total Bonus:

- Subtract the total reject loss from the total bonus earned.
- Example:

$$\$2044.84 - \$272.01 = \$1772.83$$

6. Determine Bonus Per Hour (PBH):

- Divide the adjusted total bonus by the total hours worked. Example:

$$\text{Bonus Per Hour} = \frac{1772.83}{379.0} = \$4.68$$

7. Final Plant Bonus Hourly Rate (PBH):

- Subtract ESOP Contribution and Vacation Contribution from the Bonus Per Hour. Example:

$$\$4.68 - 0.40(\text{ESOP}) - 0.25(\text{Vacation}) = \$4.03$$

Final Plant Bonus Hourly Rate (PBH): \$4.03