

THE PROFITABILITY ANALYSIS OF PRODUCTS IN THE WOOD INDUSTRY DIRECT COSTING METHOD

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Abstract. *This paper highlights the approach, by calculation and analysis, to achieve profitability of wooden products, using direct costing method or variable costs. This method will enable correlation between fixed and variable expenses, sales and profit and will allow the company to provide management information for decision-making. It will do so in the calculation of gross margin variable cost and punch steady, and indicators specific derivatives direct-costing. Since the direct-costing method based on simplified, product profitability analysis is done by calculating the gross margin on products and fixed costs are deducted from gross contribution to the profit margin becomes impertinent notion.*

Keywords: analysis, profitability, direct costing, variable expenses, fixed expenses



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