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Flexible Space Key to Surviving Constant Industry Fluctuations

By Rebecca Morgan

As the tastes of consumers change, the requirements for retail space change right along with them. And as production and warehousing needs change, so do the requirements for industrial space.



In this ever-changing market, business operations are modified and their facilities are challenged to meet emerging trends.

Remember all the yogurt shops that appeared a few years back? Remember the excitement around the new mega-malls? Now, we see drug-stores appearing on every corner, all in response to consumer demand. And yet, perhaps this too shall fade as fickle consumer tastes change.

While not as obvious to the casual consumer eye, the same changes are occurring in industrial space. Many companies are moving their operations to the south or the Far East seeking better labor rates. Others are consolidating operations as they become more efficient and are attempting to avoid the costs of multiple facilities. And those that are staying put are demanding facilities that better meet their changing needs.

Manufacturing today is taking on a new look. Facility requirements must follow

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suit. What are the changes taking place in industrial use requirements? Let's look at operation strategies that companies are implementing. Lean manufacturing is king of the hill in terms of results and frequency of implementation.

Focusing on Service

To go "lean" is to approach operations with a total focus on the customer. It is a process that has been diligently stripped of all waste and every decision is based on continuous improvement. While none of the pillars of lean manufacturing seem all that radical, the implementation of it promises radical improvements for a company and major changes in its facility requirements. Lean manufacturing has become a key factor in facility-use planning.

For example, warehouse facilities have been used to receive product, store it, take it back off the shelf and put it on another vehicle to send it away. In a lean manufacturing environment, we recognize that none of these activities add value that the customer is willing to pay extra for. They just want what they want, when they want it and it better be good. They surely don't care about fancy warehouses.

Recognizing production and operations waste has led to a big surge in "cross-docking" – the fast flow of product from one truck to another at a storage location. The warehouse facility must offer quick loading and unloading on numerous trucks in short order, with staging areas and lots of vehicle access (roads, dock doors). Tall ceilings required in the past to hold racks of product are now playing a part in high heating costs.

Factories are undergoing radical changes as well. In a lean manufacturing environment, equipment is constantly moved as the company finds bigger and better ways to flow product through the facility. Space requirements are reduced. Space reductions of 60 percent or more are common.

Utilities required to operate equipment must be flexible. It must be quick and easy to move a 220-volt machine to a different location and hook it back up. Even large machines may be built on castors to make moving easier. The utilities must be flexible to support these moves. Air, water, power and all the wiring that supports computerized applications must be highly flexible. Quick disconnects, easily accessible utilities and plenty of capacity must be the norm. The heating, ventilation and air conditioning systems must be able to handle equipment that moves every few months.

So what is the key to matching your facilities to the continuous onslaught of operational changes? Flexibility. Design-build engineering firms recognize this need and are adding lean manufacturing experts to their staffs. That way, as they design, build and maintain facilities they do so with an eye toward maximum use of the facilities both now and down the road, meeting the future's requirements as they come and doing so economically and with less upheaval.

When you make it easier to improve an operation's flexibility, you decrease your chances of having to undertake a costly move in order to stay competitive. Let the facility be a vehicle for success, not an impediment. ■

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