

## The Do's and Don'ts of a Designing a World Class Facility (Part 1) *What you need to know to complete a successful design*

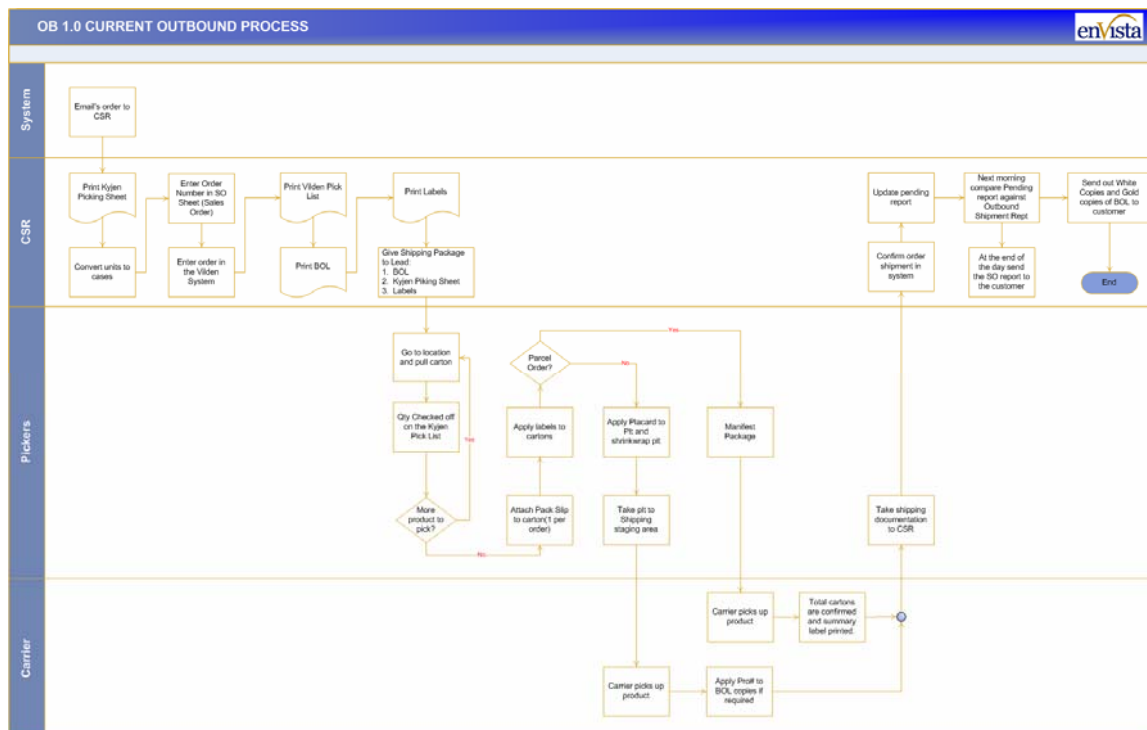
*By Jim Barnes  
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Before you embark on designing World Class facility it is important to clearly define your strategy. While a strategic design should evaluate the business trends and growth in your business five to seven years into the future, the reality is that few companies can really forecast and predict their annual sales revenue five years in the future. There lies the first don't: **DON'T** swag at a sales numbers. Rather, **DO** take the time to work with your sales and marketing team and understand what the sales trends really are. In addition, consider any potential changes in your sales strategy. For example, is your company planning to use new sales channels (e-commerce or catalogue), or more importantly is your product mix going to change in terms of cube (cubic feet per case) and selling unit of measure?

These above mention factors can impact your facility layout and space requirements considerably. The next **"DO"** in starting a project is to identify the resources that will be involved in the project and identify their specific roles. The team members should be kept informed of the project status at regular intervals. By keeping everyone informed you will not only ensure that all key strategic decisions are common knowledge, but when it comes to addressing any potential issue on the back end of the project, you will work as a team to come up with a solution instead of pointing fingers and blaming one another for the failure.

Future sales trends (percentage increase or decrease over the previous year) are typically used as a basis for SKU growth, inventory, purchase order and sales order trends. Our next **"DO"** is to document your design assumptions, who made the assumption and what the logic was behind the assumption.

Perhaps the most critical step in designing a facility is to document your current pending operational functions. A **"DO"** is to use cross functional process flow techniques that capture the interdependencies between systems, processes and people (reference illustration below).



## Mapping Processes Across Functions and Systems Can Add to Understanding of Real Process Flows

A major **"DON'T"** is to only interview management during this task. You need to complete the three actuals: (1) visit the actual place, (2) watch the actual process and (3) speak to the actual people that perform the task. Use the management team in conjunction with the associates to validate the process flow charts. We are often surprised by the disconnect between how management believes an operation is executed versus the actual process. Also, there are some aspects of the process that the operators might not be aware of that the management team is aware of. Therefore, it is important to match both the management's version of the process with the operator's version of the process and fill the missing gaps. The next **"DO"** is to have your management sign off on the flow charts and potentially use them as training documentation.

After the steps of understanding expected sales volumes and mapping current processes, you are ready to mathematically analyze your DC activities. We'll cover that process in detail in part 2 of this column.

### About the Author

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