

# CASE STUDY: CONSTRUCTION

## SPACE MANAGEMENT & MATERIAL UTILISATION

### THE CHALLENGE

Our client, a rapidly growing construction company, had recently completed a HELMA review with National Highways. Following this review they wanted to identify meaningful improvements. Cosmos Performance were invited to develop an improved way of controlling their stock, and materials across multiple locations across the country.

During the initial project engagement, the goals were established with the core objectives to deliver enhanced stock control and a centralised system for managing inbound and outbound materials. The existing method did not allow for utilising excess materials effectively, once the scheme had been completed. Materials held within their yards was not being recorded accurately and therefore led to unnecessary purchases for new schemes.

### THE SOLUTION

Using a range of Lean & Process Improvement tools and methodology, it was identified there was not a consistent method being used to manage stock and materials being delivered to and distributed from their yards.

One enhancement was to introduce centralised recording of materials entering and exiting the yard. This provided greater visibility of the current stock holding, while also allowing forecasting to utilise materials currently held.

A further key change was the implementation of designated areas for the issue and return of material items allocated to gangs and schemes. This separated stock allocated to schemes from the material holding, also creating better space utilisation and allocation control.

### The benefits included the following components:

- **Introduction of stock control systems** that allowed for enhanced material and financial control.
- **Implementation of 5S across all yards** enhances organisation and reduces time required to find stock items.
- **Clear visibility of current stock levels** assisting multiple departments in their decision making when costing and purchasing for schemes.
- **Allocation of materials for each gang are pre sorted** and issued, reducing downtime when collecting materials from the yard.
- **Limiting ad hoc purchasing** by ensuring vans are stocked correctly, while also reducing fuel required for trips to building merchants.

## THE OUTCOMES

These improvements have enhanced cost and material controls while also having a positive impact on service delivery. Further to this, space utilisation was maximised, future proofing their current yard storage capacity:



**Improved sustainability** through the reduction of vehicle usage when making ad hoc purchases, while decreasing the vehicle time on the road



**20% reduction in ongoing material costs**, through enhanced control and stock management within the yards



**32% of yard storage space saved** through the implementation of 5S workplace organisation and stock control



**Clear communication of stock levels** between departments when making purchasing decisions



**Implemented a standardised layout** across all yards, giving a consistent configuration throughout the business



**Introduction of consistent and regular stock takes**, allowing for clear visibility of current stock and material holding

**Cosmos Performance is now supporting on a number of other improvement projects, including site level operational delivery.**

“The work carried out by Cosmos Performance showed us how we can make the most of what stock we have. We also now are able to fully track what we are ordering and can manage the returned items better.”

– Highways Director

To find out how Cosmos Performance can help your organisation, reach out to us at [info@cosmosperformanceltd.com](mailto:info@cosmosperformanceltd.com) or visit [www.cosmosperformanceltd.com](http://www.cosmosperformanceltd.com).