

Fixed-position layout

In a fixed-position layout, the workers and equipment come to the product. A fixed-position layout is used when it is not feasible to move the product (for example, because of its size, shape or dangerous composition). Examples include aircraft manufacturing and household electrical repairs.



Advantages Offered by Fixed Position Layout

- (i) Material movement is reduced
- (ii) Capital investment is minimized.
- (iii) The task is usually done by gang of operators, hence continuity of operations is ensured
- (iv) Production centers are independent of each other. Hence, effective planning and loading can be made. Thus total production cost will be reduced.
- (v) It offers greater flexibility and allows change in product design, product mix and production volume.

Limitations of Fixed Position Layout

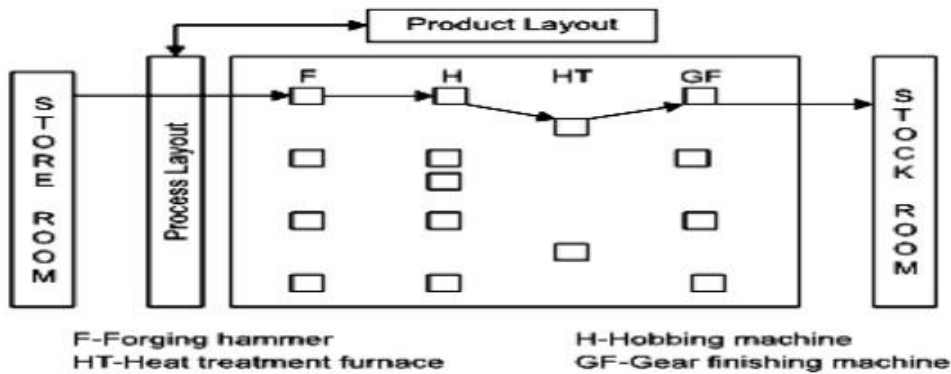
- (i) Highly skilled man power is required.
- (ii) Movement of machines equipment's to production centre may be time consuming.
- (iii) Complicated fixtures may be required for positioning of jobs and tools. This may increase the cost of production.

4. Combination Type of Layout

Now a days in pure state any one form of layouts discussed above is rarely found. Therefore, generally the layouts used in industries are the compromise of the above mentioned layouts. Every layout has got certain advantages and limitations. Therefore, industries would to like use any type of layout as such.

Flexibility is a very important factory, so layout should be such which can be molded according to the requirements of industry, without much investment. If the good features of all types of layouts are connected, a compromise solution can be obtained which will be more economical and flexible.

combination
type of layout for manufacturing different sized gears



Size of Business unit

1. Entrepreneurial Skill:

The most important factor of comes is the skill, initiative and resourcefulness of the entrepreneur. Everything depends on his judgment and ability. An entrepreneur of outstanding ability will be able to procure as much finance as he may need, hire the requisite labor force and build up a huge business. But an entrepreneur of moderate ability will run business on a moderate scale and a man of limited entrepreneurial skill will be content with a small business

2. Managerial Ability:

For running the routine part of the business, managers are appointed. If a firm is lucky enough to have a manager of great ability, the size of the firm will grow to considerable dimensions. On the other hand, a mediocre manager will have a small-sized firm to manage.