



## Dar Al Riyadh Insight #40

### Logistics – Lead Times

*Dar Al Riyadh Insights reflect the knowledge and experience of our Board, executives and staff in leading and providing PMC, design and construction management services. Dar Al Riyadh believes in the importance of broadly sharing knowledge with our clients and staff to improve project outcomes for the benefit of the Kingdom of Saudi Arabia.*

**Lead times** are a second element of effective logistics management and require a continuous up-to-date assessment for acquiring, producing, and transporting the various resources that a project requires. Lead times for labor acquisition and provision to the site must consider recruitment and training periods; time allowances for relocation, including any construction camp resources that must be put into place; and time to obtain any required passports and visas.

Construction material lead times will be influenced by overall market demand and queuing times for mill or fabrication capacity. Additionally, local shortages of sand, aggregate, or concrete may require material importation to the construction site or a nearby staging area. Similarly, temporary batch plants or quarry facilities may be needed, thus impacting lead times for even the most basic materials. Equipment lead times, such as mentioned previously regarding specialized offshore wind turbines, also may involve shop capacities, especially for heavy mechanical and electrical components. Such components may largely determine equipment lead times, which must be reflected in the overall project logistical chain.