Written by Bob Williamson, Contributing Editor
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Policy: A deliberate plan of action to guide decisions and achieve rational outcome(s). Policy merely guides actions toward those behaviors that are most likely to achieve a desired outcome.

I began writing about "reliability policies" in early 2000, when I realized that safety, health, environmental and quality policies were considered to be "uncompromizable" by company executives. They held everyone in their organizations accountable for establishing and achieving the results as specified in these policies. The major disconnect that I saw was the total ABSENCE of any form of policy that addressed equipment and process performance or reliability. The very assets that made these executives' products, generated their revenues and grew their businesses were literally treated as unimportant—*and the management of such assets was basically akin to "flying blind."*
In other words, a company's single largest investment was virtually adrift in a turbulent sea of competitiveness. If safety and quality were so important, why wasn't equipment held in a similar regard? Where was the reliability policy?

My July 2009 Uptime column, "Share This with Senior Operations Management," essentially addressed "what every operations leader should understand about maintenance but is afraid to ask." That piece ended with the following thoughts...

Call to action: Without a clear policy, a set of expectations and dedicated resources safety, quality, and customer responsiveness WILL NOT HAPPEN. Employees understand the importance of safety, quality and customers. Likewise, without a clear policy, a set of expectations and dedicated resources, true maintenance will not happen. Employees do not understand the importance of maintenance and are unclear as to its roles and responsibilities. Imagine how unproductive and uncompetitive your business would be if employees had the same lack of respect for safety, quality and customer service as they do for maintenance.

Maintenance must have a productive purpose in an era of a growing skills shortage (especially in maintenance jobs), an era of increasing competitiveness and an era of serious cost controls. Maintenance efficiency and effectiveness is crucial to business prosperity. That's because maintenance is truly about sustaining a desired level of equipment, process and facility performance, NOT just fixing things that break or pursuing countless special projects. As a senior operations manager you can make the maintenance paradigm shift happen. If you already have done so, bless you and thank you. You are worth your weight in gold.

One last thing to remember: Maintenance by the maintenance department alone will not necessarily lead to reliable equipment, processes and facilities. Entire organizations must share a new paradigm of reliability.

Who needs a reliability policy?

Any capital-intensive business that depends on equipment assets to generate revenue will benefit from a reliability policy that is deployed throughout the organization. Manufacturing, petrochemical processing, utilities, power-generation, transportation, distribution operations, mining and agriculture are just a few examples of business sectors that depend on equipment—reliable equipment—to produce and market competitive goods and services. Generally speaking, these types of businesses have numerous policies that set expectations and serve as operating guidelines. Unfortunately, most capital-intensive businesses do not have a formal "Reliability Policy" that serves as a guide for managing capital assets, maintaining, making decisions about and improving the performance and reliability of those assets.

'If you don't know where you're going, any road will get you there.'

Over the years, the Cheshire Cat in Lewis Carroll's *Alice in Wonderland* has been paraphrased time and again by those of us considering the "direction" of continuous improvement in our industrial operations. When there is NO POLICY, how does a company expect its employees to respond to equipment maintenance and reliability questions, problems, opportunities and improvements? If you want to improve the way your equipment and facilities are operated and maintained, how they are cared for and how their performance is improved, you need an actual Reliability Policy. While it should originate at the top levels of a company, it could be fairly general in regard to plans, schedules and tactics. A "guiding coalition" of formal and informal leaders should structure the policy statement.

What should a policy statement contain?

Your Reliability Policy should become more and more explicit as it is translated into actions from the top down through the organization. At the lowest leadership level (plant, area, department),

it should be a specific plan or a strategy for taking action that is consistent with the Reliability Policy.

A Reliability Improvement Policy statement should be clear and precise regarding :

- The compelling business reason for improving equipment and/or process reliability.
- The acceptable maintenance and reliability work processes and standards.
- What is to be improved.
- How reliability improvement will be measured.
- The time frames in which reliability improvement should be made.

Although there are countless unique Reliability Policies, the one at the bottom of this page is worth serious consideration.

How do you deploy a reliability policy?
A time-proven method for developing and establishing company-improvement policies is called, appropriately, "Policy Deployment." The purpose of Policy Deployment is to enable the shift from the status quo so as to make major performance improvements by analyzing and addressing current business competition opportunities and operational problems.

Policy Deployment methods called "Hoshin Planning" (Hoshin Kanri), a system of strategic and operational planning, were developed and refined in the 1960s by numerous Japanese companies, including Toyota, Nippon Denso and Komatsu, among others. They blended proven ideas from W. Edwards Deming (PDCA cycle), Joseph Juran (quality policy) and Peter Drucker (MBO) into strategic planning to create Hoshin Planning—*something that many U.S. companies used since the 1980s to make significant and sustainable improvements.*
This Policy Deployment process continues to thrive in many successful Lean Enterprise businesses.

Policy Deployment cascades—*or deploys*—top-management policies and targets down the management hierarchy. At each level, the policy is translated into policies, targets and actions for the next level down. Using a "Policy Deployment" strategy for establishing and infusing a Reliability Policy makes sense: It will connect the important factors of business success from the highest levels of the company to the plant-floor workgroups and then back to the top levels.

Where's your true north?
As described above, the Policy Deployment "line of sight" acts as a compass, pointing north, keeping the entire organization heading in the right direction. In the absence of a common direction, focused leadership and engaged workgroups at all levels, almost any improvement process will be doomed to failure—or, at best, stagnation. Again, never forget: The maintenance department alone cannot make equipment reliable unless it is in absolute control of all of the causes of "unreliability."

By the way, I hope to see you and other loyal Readers at MARTS 2010, in Chicago. MT

EDITOR'S NOTE: This month's column, an update of his February 2008 Uptime, is the subject of Bob Williamson's MARTS 2010 Conference presentation.

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[*COMPANY & PLANT SITE] is committed to being the best we can be with our equipment- and process-performance and reliability. Reliability is an integral component to the safety, health and environmental performance required to remain competitive in our marketplace. This Reliability Policy drives high-quality and on-time delivery to our customers, at the lowest manufacturing cost per unit produced.*

At [COMPANY & PLANT SITE] we are committed to:

1. *Developing and deploying an Annual Reliability Improvement Plan to address the business case, goals, expectations and priorities for making focused improvements in equipment performance and reliability in ways that demonstrate sustainable gains.*
2. *Learning and using proven maintenance, reliability and operations-improvement methods to continually improve our plant performance and reliability.*
3. *Being the best in our company and the best in our industry by pursuing best-in-class levels of equipment performance and reliability consistent with our Annual Reliability*

Improvement Plan.

4. *Developing a work culture where all employees and contractors hold each other accountable for doing their very best, doing the right things the right way, first time, every time.*

5. *Utilizing consistent, accurate, and reliable equipment performance and production data plus maintenance history data to identify and eliminate the major causes of problems.*
6. *Developing and adhering to "best practice" procedures, work processes and checklists for critical operations and maintenance tasks consistent with our Annual Reliability Improvement Plan.*
7. *Training and qualifying our employees on all crews to safely and accurately perform all required operations and maintenance tasks according to approved "best practices" consistent with our Annual Reliability Improvement Plan.*

The bottom line:
Without reliable equipment, we cannot compete.

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