Uptime: What Gets Measured…

Written by Bob Williamson, Contributing Editor
Friday, 01 December 2006 20:28

Bob Williamson, Contributing Editor   Data, metric, measures, assessments, evaluations, scorecards, progress reports…   Many of us have been faced with a whole host   of measurement opportunities. Seems like   some of the performance measurements are moving targets that we seldom hit.

Some measurement processes come and go,   much like fog. I recall hearing this maxim years   ago: "What gets measured gets done" (attributed   to Peter Drucker, Tom Peters, Edwards Deming and Lord Kelvin among others).Why,   though, is it that we so often get hung up on metrics and measuring things to the point that   we sometimes actually lose track of measuring   *what really matters*?

Many discussions about improving maintenance   and reliability tend to center around   what to measure, how to measure it, and how to   calculate the metric.We discuss MTBF (mean time between failures) and MTTR (mean time   to repair).We analyze OEE (overall equipment   effectiveness) and Availability. We monitor   Wrench Time and Schedule Compliance. It turns out that there is an ever-increasing number   of "maintenance and reliability metrics" fueling the discussion as to *what gets measured* gets done. But, we should be very careful about   that which we measure.

Albert Einstein is said to have had a sign on   his office wall that stated: "Not everything that counts can be counted, and not everything that   can be counted counts." Remember those words, since, when it's all said and done, we   must make improvements—actual, tangible improvements—in our equipment and facility   reliability and life cycle operating costs. Measurements   and metrics alone will not do it.

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So, where should we start our use of metrics   and measures? The first step is to determine the important business priorities. As one   plant manager succinctly explained: "On-time, lead time and cost are our top priorities."   Everyone at his plant, from the executives down to the plant floor, knew what those improvement   priorities were. Their organization's task was to make rapid and sustainable gains in: 1) on-time delivery; 2) lead time from receipt of order to shipment; 3) lower total cost to   produce (*i.e. what gets measured gets done*).

They communicated their priorities like a   mantra. They identified contributing factors.   They set meaningful goals to achieve. They   steadily improved their performance one   machine, one cell, one area at a time until they   reached the performance standards they set.   They adopted new work standards. They measured   their progress and posted the results for   all to see. They learned from their failures…   and from their successes. They designed and implemented focused improvement projects.   They avoided "analysis paralysis" by monitoring   performance, progress and the effects of   their improvement efforts on their top business priorities. Sustainable gains and continuous   improvement processes were the results   of their efforts.

"Without a standard, there is no logical basis   for making a decision or taking action." Joseph Juran was on to something when he said that.   As we consider what to measure, we must have   a standard or a goal to attain.We must measure   current performance as compared to that standard and take intelligent, consistent   actions (standardized work) to eliminate problems. What we measure, though, must be   important to both the business and those who   directly and indirectly influence what is being   measured. Remember, when something is   measured, if it isn't important, it probably   won't get done. This speaks to sustainability.   With so many business and maintenance and   reliability-related metrics out there, it is easy   to measure things that are not really that   important to the organization's success.

Measure the wrong things and you will likely   get the wrong behaviors. Improving performance,   in most cases, means changing the   behaviors of those who operate and maintain,   those who budget and control, those who design   and install our equipment and facilities.When   we look at changing behaviors, we must always   consider the people who must do things differently: Do they have the skills and ability to   change? Do the rewards and recognition   processes encourage and reinforce the desired   behavior changes?

Noted leadership trainer John E. Jones said: "What gets measured gets done.What gets measured and fed back gets done *well*. What gets rewarded gets *repeated*." Again, that speaks to sustainable gains in performance improvement through behavior change.We should remember that "measuring things" is not about the numbers, but rather about guiding and

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monitoring improvement toward a measurable, observable goal. It's about understanding causes and effects of problematic performance, as well as successes, and then leading human performance improvement in our organizations. Keep this known fact in mind: Our equipment and facilities will deteriorate over time without proper, timely, and intelligent human intervention.

Lastly, most businesses have been under a cost cutting, cost reduction, cost control mission as a path to improving competitiveness. Some costs, however, are not in our direct control. According to the Herman Trend Alert (www.hermangroup.com), "non-wage manufacturing costs as a percentage of total costs are continuing to rise in the U.S." These non-wage costs include corporate taxes, higher energy, pollution abatement and insurance benefits.Moreover, don't forget the impact of the "skills shortage" and the significant investment required for training, or up-skilling, the workforce to handle advanced manufacturing practices (which include improvements in maintenance and reliability). The Herman Group warns that these costs "will continue to rise across the developed world."
What gets measured gets done
. In this case, "cost cutting" is "what" will get done. That's something that could defeat the entire purpose of whatever you were measuring.
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