

## How Core Is Your Competency?

Written by Robert C. Baldwin, CMRP, Editor  
Saturday, 01 February 2003 13:31

---



Robert C. Baldwin, CMRP, Editor    Outsourcing is a business strategy that has been around for a long time, but it seems to be popping up more frequently in business management discussions.

In the industrial plant arena, equipment maintenance is a possible candidate for outsourcing—7 percent of plants do it frequently or all the time.

Writing on the Internet site for the [Outsourcing Institute](#) , Timothy P. Smith, vice president of the Amega Group, noted, "The driving force behind the decision to outsource is the ability to focus on core competencies, but what is the true value proposition outsourcing brings to an organization? Plain and simple, outsourcing allows organizations to be more efficient, more effective, and to reduce costs."

He goes on to amplify outsourcing values: Efficient—producing results with little waste of effort; Effective—producing a decided, decisive, or desired effect; and Cost Reduction—spending less money to achieve better results.

An often-cited business mantra is "Focus on your core competencies and outsource everything else."

## How Core Is Your Competency?

Written by Robert C. Baldwin, CMRP, Editor  
Saturday, 01 February 2003 13:31

---

That brings us to the question: Is maintenance and reliability a core competency?

One definition of a core competency is any activity that creates or protects a competitive advantage.

When I look around at the maintenance organizations with reputations for excellence, it seems they are in companies that are in business for the long haul and that have an edge in quality, cost, or responsiveness (availability and capacity), all of which must be protected by a high level of equipment reliability.

Maintenance is indeed a core competency in these companies.

On the other hand, if reliable equipment is needed to support a competitive advantage and the maintenance organization is unable to produce, it would seem to be a core *in*competency, and likely could be outsourced to good advantage.

I'm reminded of the primary theme of *The Peter Principle*, the book by Laurence J. Peter: "Everyone rises to his level of incompetence." I certainly hope we all rise to the core competency level before we hit the wall.

But, according to Peter, "Competence, like truth, beauty, and contact lenses, is in the eye of the beholder." This must mean that one of the core competencies of a truly competent maintenance manager must be the ability to convince the beholders in the executive suite that maintenance is a core competency. **MT**

