Written by Robert C. Baldwin, CMRP, Editor
Friday, 01 May 2009 19:45

Robert C. Baldwin, CMRP, Editor Last month in this space I was lamenting the sad state in many companies where executives seem to be oblivious of the consequences of not investing in reliability and maintenance and I asked for an explanation. We received a number of comments from readers. Here is a sampling:

- I think I have an answer to your question about upper management not considering the consequences of their actions. It's my observation that many companies simply are more interested in the bottom line for the next quarter than they are for the longer term. Wall St. seems to expect no more and no less.
- I've seen the problem you discuss first hand. Quick MONEY! If you are a manager and can reduce/eliminate a cost that directly goes to and improves your bottom line it also goes to your bonus. It's simple, measurable and almost immediate. Rarely do I see deferred compensation at the plant level, so there are few if any negative consequences for the manager. Do this for a few years, before the neglected assets deteriorate or fail, and you've probably moved on to a promotion. If the plant you left behind starts to fail, you look like an even bigger hero because you did what the existing management couldn't do [keep the plant running].
- It's my view that our industry's problem is the lack of executive management recognition and understanding of the benefits available from the use of advanced maintenance management technologies. This is the result of users, vendors, professional societies, the press, etc., not being successful in communicating our story to high level, resource allocation, decision-making executives.
- I believe that maintenance managers must get more involved in the financial picture of their organizations. For upper management to--get it,--maintenance managers should make clear to the decision-makers the old cause and effect rule. This requires tracking all maintenance activities as they relate to the productivity of the organization. Unless the connection between the value of maintenance and the bottom line is well established, maintenance is just another expense to minimize. This connection is made through factual, well-presented financial data. Upper management

is less likely to act irrationally when well aware of the value and interdependency of a well-managed and documented maintenance organization. The successful maintenance manager of today must hold both technical and financial degrees. It is no longer good enough to know the nuts and bolts; we must now know bytes and beans.

Perhaps we are partially to blame. Time to start counting those beans. **MT**