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Managing costs has become more critical than ever in these turbulent economic times. A company's very survival could well depend on its ability to contain costs in the short run, while not sacrificing its viability in the long run. Unfortunately, when times get tough, there is a natural focus on short-term cost-cutting, often at the expense of the long-term health of the organization.

The trick is to cut costs, while simultaneously improving capacity, productivity and profitability, without impairing delivery or quality.

Remarkably, when maintenance is not being managed well, the maintenance function—especially the PM program—is rich in opportunities to do just that! It is not uncommon to find the PM program being managed or executed poorly in manufacturing plants.

Indeed, it is not uncommon to find that more than half of all maintenance work is unnecessary (could have been prevented) and the current PM/PdM (Preventive/Predictive Maintenance) practices are inefficient, ineffective and costly.

The typical maintenance program has:

- Inadequate task descriptions (unclear, incomplete, wrong)
- PM tasks done too often, or too late (mostly too often, actually)
- Many PMs that are not value-added (serve no purpose whatsoever)
- Many tasks that are too intrusive, causing more problems than they solve

In other words, the typical PM program is costing too much, producing too little benefit. Here's a typical finding, after analysis of the PM program:

- Use as is 13%
- Delete 19%
- Extend Interval 30%

Nearly one-fifth of the current program was a waste of time! Only 13% of the existing program was effective; intervals were extended on almost a third of all PMs. Eliminating useless PMs, and extending frequencies alone can sometimes reduce PM maintenance labor hours 50% and production downtime by that much or more.

What that means is unless such changes are made, the benefits associated with sound, proactive maintenance practices are not being realized, though they are considerable:

- Downtime reduction 20-50%
- Productivity improvement (maintenance) 20-100%
- Capital cost reduction 10-20%
- Materials cost reduction 20-30%

The fact is, maintenance costs can almost always be reduced with increased effectiveness and better results (performance) simultaneously by improving the PM program.

Assess your PM program now. If it doesn't measure up, you have a gold mine ready to be mined for short-term gains in downtime reduction, production improvement and increased maintenance productivity—and these gains are achievable soon.

Better yet, you'll be making a significant contribution to your company's well-being in this very difficult economic climate. **MT**

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