

Viewpoint: Top Management Culture Change

Written by Christer Idhammar, President, IDCON, Inc.
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My grandmother used to say "Nice words are seldom true and true words are seldom nice." I do not sell engineering services, hardware or computer systems, so I do not need to be nice. In my role as an adviser and consultant, I must be honest. This means that I often must tell organizations what they need to hear and not what they want to hear—*although I really try to do it in an as nice way as possible*. Here are some true words to top management.

Anyone who has been involved in reliability and maintenance improvement initiatives for any length of time has heard that a culture change in work practices is necessary to deliver sustainable results. This is true—*and these needed changes are the same as they were 30 years ago*. So, why don't all companies succeed with these types of improvement initiatives?

The culture change that is so talked about must first occur at the top level of the organization. If the president of a company tells the vice president of Manufacturing that he or she must cut the cost of manufacturing, this message will trickle down in the organization and the focus will be on cutting costs instead of doing something about measures that can drive down the cost. As many other contributors to this publication have noted, short-term savings followed by long-term losses will be the result of this culture. If a plant needs to save energy, no doubt heat recovery systems, better insulation, more efficient processes etc. will be considered and investments in these solutions will be made. Such investments, in turn, will drive down the use of energy. The only difference when it comes to maintenance cost reductions is that many of these do not require capital investments at all. It is more a matter of doing better with what you already have.

The resistance to accomplish more cost-effective maintenance is seldom in the Maintenance organization. Many Maintenance managers are in veritable "budget jails" built by management cultures that prioritize short-term savings ahead of long-term gains that can generate savings 10 to 50 times higher than the costs of deferring maintenance. To temporarily survive, these Maintenance managers will focus on cutting costs until such measures result in reduced reliability. As a consequence, he or she will be fired.

What a shame. We can't afford not to implement measures that improve reliability, which, in turn, will drive down maintenance costs. It is, perhaps, the last significant improvement initiative we can make to stay competitive. The rest of the world buys modern equipment. With automation, it is easier than ever for anyone to learn how to operate this equipment. The real challenge lies in how well the equipment can be maintained and how reliable it will be.

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Oh, yes, I generally get agreement from top management when I have the opportunity to talk with them. Agreeing with an idea and eagerly championing it, however, don't necessarily go hand in hand. All too often, I hear the following: "We agree with you. Better reliability is our greatest improvement potential. But, we must first cut costs."

The opinions expressed in this Viewpoint section are those of the author, and don't necessarily reflect those of the staff and management of MAINTENANCE TECHNOLOGY magazine.