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In today's increasingly competitive environment, maximizing productivity is a MUST, especially for small- and medium-sized machine shops. Typically, these businesses cannot match the overall production capabilities—in terms of volume—of their larger rivals. Furthermore, larger competitors often have more equipment, more people and more resources than small- or medium-sized businesses.

So how can small- and medium-sized businesses gain a competitive edge?

Implement a proactive maintenance strategy

One of the most valuable things any company can do is to incorporate a proactive maintenance approach as opposed to staying in a reactive mode. A proactive maintenance strategy is what many of the most successful companies in the industrial sector utilize—be they large or small.

A proactive stance considers equipment maintenance not as a cost, but as a strategic investment. Guided by this maintenance philosophy, companies recognize that when they invest in protecting their assets (equipment) they can yield significant payback in terms of exceptional equipment durability and efficiency, as well as maximized performance and productivity.

For smaller companies specializing in machine shop applications, this maintenance mindset is essential. After all, for many machine shops, a few pieces of specialized equipment often represent a significant portion of the company's entire operations. Without that equipment running efficiently, an organization's productivity and bottom line can be severely impacted.

The most essential and cost-effective component of a successful proactive maintenance strategy is the implementation of a comprehensive oil analysis program.

Oil analysis is a series of tests that help determine the condition of internal hardware and in-service lubricants. With this information, you can extend the useful lives of both, identify early warning signs such as contamination and wear and minimize unscheduled maintenance. For maintenance professionals and business owners that want to implement an effective oil analysis program—that also can save time and money—there is ExxonMobil's proprietary online Signum Oil Analysis Program.

For example, this program offers customers immediate access and direct control of their lubricant sampling program. With a few keystrokes, users can manage all their oil analysis needs, including:

• Update equipment registrations and select analysis options based on their equipment or maintenance needs;

• Track the status of samples at the lab;

• Direct actions based on analysis results, request sample kits; and,

• Share critical results with colleagues in a secure, password protected environment.

Streamline inventory management

Another great way for small- and medium-sized machine shop businesses to maximize productivity within their operations is to have an efficient inventory management strategy.

When addressing inventory management, there are several factors you should consider. Perhaps the most important is recognizing that inventory costs will include the initial purchase price of materials plus costs associated with handling and storage. Other items to consider

when developing an inventory management strategy include estimating the replenishment quantity and determining appropriate times to submit reorders.

A crucial component in determining proper reorder quantity and timing involves accurately gauging how much available space can be dedicated to storage. Typically, most machine shop owners/managers don't want to devote valuable space to the storing of excess inventory. Thus, a best practice is for them to work closely with their suppliers to develop an effective cycle fulfillment process, through which deliveries are received just as previous order supplies are about to be drained. Another best practice is to periodically examine the products and supplies they use— especially lubricants.

One common way for machine shop owners to efficiently utilize inventory space is to review the list of lubricants the operation is using. Lubricants take up a significant amount of storage area. Fortunately, the number of products used frequently can be consolidated to a lower number of high-performance lubricants.

Capture the benefits of high-performance lubricants

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