

When More Produces Less (Costs)

Written by Robert C. Baldwin, CMRP, Editor
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Robert C. Baldwin, CMRP, Editor Almost every production and maintenance operation I know is under pressure from management to reduce costs.

My impression of the pervasiveness of cost cutting was reinforced at the recent Maintenance Excellent Roundtable. Each member shared with the group one significant business challenge (with reliability implications) facing his plant or company over the next 3 years and explained its planned responses to that challenge. Cost cutting was the most named challenge.

The Maintenance Excellence Roundtable is a group of companies that meet annually to share best practices in maintenance and reliability. This year's conference in late September was hosted by DuPont at its Titanium Technologies plant in DeLisle, MS.

Other members of the Roundtable are Alcoa, Baxter Healthcare, Dofasco, Honeywell, Kodak, Maintenance Technology Magazine, Syngenta Crop Protection, and the United States Postal Service. Aera Energy and Celanese participated as guests. Roundtable representatives are maintenance and engineering personnel from major plants or corporate headquarters.

When it came to cost cutting, Roundtable members knew they would also have to maintain or improve levels of safety, environmental compliance, and manufacturing performance. It was also noted by several members that they were dealing with very old equipment, and there was essentially no capital available for new equipment in the near future.

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What may surprise some less sophisticated maintenance and reliability organizations is that none of the Roundtable members focused directly on cutting costs. Instead, they focused on doing more effective maintenance, knowing that costs would drop out in the process.

A key response to cost pressure was more thorough planning and scheduling of maintenance work so that tasks could be completed in less time and with fewer labor hours and materials.

Another response to cost pressure was more rigorous analysis of maintenance operations to optimize preventive and predictive maintenance tasks.

It was not surprising that elements of lean manufacturing or maintenance—TPM, 5S, blitzes, SMED, visuals—were being employed by several companies.

Instead of cutting costs by cutting maintenance, Roundtable companies were focusing on reliability and investing in best practices.

They evidently heard the words of the maintenance sage: Good maintenance costs money, but poor maintenance costs more. **MT**

