What the Heck is a Scorecard? ...and Why You Need One!

Maintenance Scorecards are what I call them, they are also known as Performance Measures, Key Performance Indicators (KPIs), Benchmarks, etc. Many of you already know I am big on measuring every aspect of the maintenance operation and process.

The name "Maintenance Scorecards" actually came from a friend of mine, Dan Hounsell, the editor of Facility Maintenance Decisions magazine. Years ago Dan asked me to write an article about Maintenance Scorecards, the name stuck and I have been using it 10-12 years. It was actually the first article I ever wrote.

So now that you know what a "Scorecard" is and probably more about the name's origin than you really cared about, so why do we need them? The basis for the theory and the need to have scorecards that display and measure your day-to-day performance in the management of your assets and equipment is that: "You Cannot Manage What You Cannot Control and You Cannot Control What You Cannot Measure!"

This is a quote from W. Edward Deming, one of the greatest management consultants and statisticians that ever existed. In simpler terms, everything you find important in your day-to-day leadership and management of your organization should have some sort of benchmark performance measurement which will enable you to track with confidence how your team is performing.

These Performance Measures or Scorecards can be very simple to extremely complex depending on the needs of your organization. Here are some examples that will highlight the very simple which seem to some as silly to some more complex ones which are vital to some industries.

Years ago when I worked in the outsourcing business, one of the business groups was heavy into custodial services. One customer had a major problem with cigarette butts outside the front entrance to an office building (this was before the non-smoking era). The smart and motivated account manager developed a scorecard to measure how many cigarette butts where found on a monthly audit by the customer. The manager developed a grid system and would count the cigarette butts in a 10X10 ft. area. This measurement would demonstrate to the customer that the custodians where doing their job on off-shifts when policing the area for butts. Sounds silly doesn't it? But it worked and the customer was happy.
On the more complex side of the Scorecard business, how about measuring the performance of your Preventive Maintenance (PM) program. Most of us have or at least should have a PM program. The big question is, how do you know if it is successful? Just saying you have one is not good enough you need a method to measure its success! Try measuring a few of these:

- PMs completed on time
- % late PMs (late = 10% of PM frequency)
- # of discrepancies found during PM
- Work orders written within 30 days of completing the PM
- Total hours spent on all PM work orders, etc...

I think you begin to see the value in measuring what your organization does. Everything that is important in your area of responsibility should have a chart or graph which you can post on the wall or view on your intranet site for all to see. Remember, you cannot manage what you cannot measure!