Are Losses Putting Your Maintenance Organization at Risk?  
How do you Turn it Around?

This topic has many components to it, and we can’t cover them all but here are a few for consideration. In truth, we know most all of these but sometimes outlining them in this way, and putting them down paper will put things in a better perspective, and remind us why we fight so hard to improve our maintenance organizations.

Your current maintenance practices, management philosophies, and culture may ultimately lead you in a direction that you definitely do not want to go. The outcome won’t be pretty. Poor maintenance practices cost money and have a huge impact.

Identifying Your Losses
Your losses result from the things you are currently not doing to the best of your ability. This sub-standard performance is causing some sort of problem such as equipment failure or project delays, low morale, etc. The perception then becomes that the maintenance organization is not/ or does not provide the level of service your customers expect or believe they deserve.

As I conduct facility assessments I continuously look and identify what and where are lost opportunities. In other words, what things or items can be done better that will improve the overall maintenance organizations performance and customer satisfaction? Identifying and improving these lost opportunities will ultimately eliminate the risk your organization faces.

As we discuss the potential losses I will also provide a brief solution for each one which will hopefully assist you in changing your culture and begin to reduce or eliminate the potential losses that face your organization.

Areas of Potential Losses

Cost to Maintain Equipment
- Capital expenditures are high
- Equipment is not lasting to its expected life span
- Reactive work takes up most of your maintenance time

Solution - the basic problem here is usually the lack of having an active preventive maintenance program. With a well-designed and managed preventive maintenance program all of the above will be affected. Remember reactive work is 4-6 times the cost of preventive and proactive work. Take good care of your equipment and it will serve you well for a long time.
Facility Outages
- Environmental outages
- Power outages
- Building structure problems

All of the above can cause facility outages, heating and AC problems, loss of electrical power in parts or all of your buildings, and problems related to roof leaks, plumbing leaks, elevator problems, etc.

Solution - develop basic preventive maintenance processes and procedures to inspect all of these systems and equipment. All of these can be prevented.

Labor Losses
- Inefficient work plans
- Lack of parts and supplies
- Lack of work schedules
- Inadequate communication between maintenance and customers

Solution - begin a basic work planning and scheduling program. This would include holding daily and weekly work planning and communication meetings. Develop very simple work plans prior to the work being scheduled and then communicate to your customers what you plan to do that day and days following.

Safety Losses
- Reduced work force
- Lower morale
- Insurance costs

Solution - it is pretty simple, if you have an existing safety program pull it out of the bottom drawer, dust it off, and review its performance. If you don’t have an active program then it’s time to create one. Start with just talking about safety with your team, begin some basic safety inspections, and begin to correct the deficiencies you find. As you have time take a basic safety course and begin researching basic safety practices.
Customer Satisfaction

- Lack of confidence
- Lack of support
- Lack of trust

Customer satisfaction may be the most critical component of this tip and it may pose the biggest risk to your organization. When your direct customers lose faith in you and your maintenance teams’ ability to take care of the facility, your organization is in big trouble and potentially at risk of being replaced.

Solution - the key to solving this problem is communication. The more you talk to your customers the better things will be. At the same time you need to put in place the basic maintenance management practices and processes.

Management Confidence (or the lack there of)

- This loss typically comes right after the customer satisfaction loss becomes apparent to the management team. At this point things are starting to get ugly. If you have customer satisfaction problems you probably have several of the other losses listed above and the next step is for the management team to find a way to fix the problem. This means replacing the leaders of the maintenance organization or in many cases bringing in a third party to replace the existing maintenance team.

In summary, the solutions are pretty simple but you must act prior to the bottom falling out of your maintenance bucket. Put in place solid maintenance management practices, begin communicating with everyone, and immediately review your maintenance safety practices and facility life safety programs.