

## Do You Contract Your Maintenance – Yes or No?

I have led internal maintenance teams towards world class reliability, I have outsourced specialized maintenance functions (predictive technologies) and I have worked with companies outsourcing all maintenance.

Maintenance outsourcing continues to grow with 65% of large companies outsourcing some maintenance..but perhaps for the wrong reasons.

It all starts with the corporate philosophy.... are you an owner or a renter? Successful companies that invest in long term sustained growth (owners) recognize the strategic impact of maintenance, realize it is a core function, and invest in their own people versus advocacy of responsibility to a 3rd party (renters). I remain unconvinced that a contractor can come in and provide a more skilled workforce with a better understanding of my business and reliability improvement ownership all at a lower total maintenance cost than I can. In the examples that I have seen the incumbent contractor absorbs the key maintenance personnel of the contracting company to buy the needed immediate plant and equipment knowledge at the same or lower wage rate and often without the benefit packages of the contracting company or no benefits at all. This with a typical lower initial overall headcount is how they can come in cheaper and still make a profit.

Companies without current solid resource management and robust processes and systems won't just buy them by outsourcing maintenance especially in high mix low volume specialized manufacturing industries. This is where you want to own your maintenance to minimize risk.

Most maintenance outsourcing firms, although they may possess certain specialized skill sets i.e. predictive technologies or building management systems, do not understand, present and promote a proactive condition based maintenance and reliability culture.

The key to maintenance outsourcing is the contract. Most are written accepting the majority of the current workforce leaving little room to bring in needed special skills, accepting the current maintenance CMMS data and history, for the most part severely lacking, and without the right and sometimes no defined measurements. Again if your reliability processes are poor just contracting out maintenance in most cases won't provide the desired improvements.

A maintenance contract should be a performance based contract with world class KPIs and pay for increased reliability creating a win win situation. Most don't.

Finally the site maintenance contractor representative and the company contract manager must be seasoned professionals of the highest integrity who understand the contract intimately, understand the company philosophy and business model, understand the processes and critical control points,



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understand the people and personalities on both sides, understand their own team member strengths and weaknesses and above all possess a strong desire to constantly strive for improvement and added value.

Modeling the Lifetime Reliability Solutions 6 Step Plant Wellness Methodology provides a clear path to identification, control and reduction of risk. Developing a dedicated, skilled workforce, creating an open architecture work environment, rewarding high performance and having a clearly defined path forward all in combination with the Plant and Equipment Wellness (PEW) way will deliver superior sustainable long term savings whether through outsourcing or insourcing.

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