

Increasing Maintenance Effectiveness and Reducing Cost through a Stronger Partnership between Operations and Maintenance

A global specialty chemical company was facing several operational and financial challenges at one of its largest sites. The site's Maintenance Department needed to play a role in a major corporate cost reduction effort, but they recognized that it would take more than just cutting their costs. To create the most value and ensure sustainability, they needed to transform maintenance effectiveness, build a stronger working relationship with their Operations customers and change their culture.

THE MAINTENANCE DEPARTMENT LEADERSHIP IDENTIFIED SEVERAL BARRIERS TO THEIR SUCCESS, INCLUDING:

- · Inconsistent work processes and misaligned priorities
- · Insufficient reporting and decision making tools and technology
- Strong "status quo" culture among the workforce and first-line supervision
- Performance of day-to-day work to challenge the belief that "we are already very good"
- Failed or unsustainable initiatives over the years
- Inexperienced leadership team that wasn't confident they could marshal the effort to produce excellence

They also recognized the need to develop significant capability, execute major behavior changes in the performance of day-to-day work, and change in what people believe about what "good looks like."

As the result of their assessments, the Maintenance Department engaged Evolve Partners to help them facilitate the design and execution of an implementation program that resulted in a 5% reduction in costs, a strong improvement in maintenance effectiveness and productivity and higher levels of customer satisfaction and cooperation.

An Integrated Approach

Evolve helped Maintenance leadership develop a compelling vision for their desired partnership with Operations – a vision that drove the many improvements that leadership identified. This vision had two key elements; improving the way the Maintenance Department performed their work, and reaching out to Operations for their help to drive the improvements even further, while building "ownership" for the changes on both sides. They established clear accountabilities in four specific areas of change, with over 30 members of the organization, including mechanics, planners, schedulers, and managers, engaged to "design their own future."

Evolve Partners consultants trained and coached members of the Maintenance Department in critical change management

skills and capabilities.

Initially, the role of this team was to work alongside the

"This program helped us 'earn the right' to be our Operations partner's first choice for work execution."

Director, Plant Maintenance



Additionally, the Evolve consultants supported planned interventions and coaching for the members of the Maintenance Department leadership team. These interventions provided opportunities to practice acquired leadership skills and capabilities, and improve their performance as day-to-day managers, as well as being leaders of change.

Building Credibility with our Partners

The four design teams initiated a series of "partnership development workshops" to engage Operations to understand the changes being made and the benefits associated with the changes, getting their insights on those changes, and receiving their feedback and commitments to ensure success of the changes. These workshops generated increased credibility with Operations, as they saw Maintenance developing new ideas that were "customer focused." This gave Operations the confidence to suggest ways they could change to help the new Maintenance processes not only succeed, but become permanent and sustainable.

FOUR SPECIFIC AREAS OF CHANGE

Planning & Scheduling

- A streamlined Planning process
- A streamlined Scheduling process
- Effective scheduling meetings
- Consistent use of scheduling tools
- Adherence to a fixed weekly schedule

Work Execution

- with major jobs
- An effective resource sharing process
- Enhanced controls for tools and equipment management
- Training on critical skills for developing crew members
- Central Point of Contact for job control

- A management system for driving and measuring maintenance performance
- Effective meetings that drive results
- Key Leadership behaviors that ensures sustainability of high performance
- An effective Daily/Weekly Operating Report
- Clarification of Leaders Standard Work

Change, Learning & Communications

- Elimination of costly delays associated Facilitate training and learning related to changes from the other Theme Team
 - An effective two-way communication system for the Program
 - A Knowledge Management System

Each of the above changes were designed to "clean up the Maintenance shop first," and set the stage for reaching out to Operations to build a true partnership.

"We've made huge improvements in our maintenance effectiveness and efficiency, and the development of leadership and change management skills will provide significant benefits in the future."

Maintenance Area Manager

ORGANIZATIONAL SPACE™ MODEL (Continued)

- Reduced the spending by >5%
- Increased on-stream time with improved planned vs. actual schedule
- Reduced labor cost for maintenance
- Decreased material costs and equipment rentals
- Continued increase in safety performance

Processes:

- Consolidated multiple schedules into one Master
- Improved planning and scheduling
- Used similar tools, processes and forms for all company and contractors
- Continued use of SAP and Work Order System
- Cross-trained personnel to enable area-to-area work assignments
- Used skill matrix to create effective processes with clear roles and responsibilities

Management Systems:

- Held meetings based on robust and relevant information with improve metrics
- Facilitated seamless report preparation, graphical metrics with targets & trends
- Enabled easier decision-making; validated data, clear priorities, supportive roles and responsibilities
- Created better overtime and contractor controls

Leadership Behaviors:

- Aligned and agreed vision and goals across the business
- Aligned and agreed Leadership behaviors
- Enabled open dialogue across the various plant areas
- Facilitated performance-oriented conversations with front line employees

Change and Learning:

- Enabled employees to work with clear understanding and competence in each area
- Empowered organization with clear vision of goals, outcomes and results
- Improved organizational capability using robust training and capture of "tribal knowledge
- Enhanced culture and capability for on-going continuous improvement

What was Different about this Approach

Compared to past company change efforts, the difference in this approach was the focus on getting engagement and buy-in, and developing solutions that were owned by the front line. Evolve supported employee work teams in design and implementation, helping them understand why change is difficult and building skills for implementation. The effort focused on the people as well as the technical aspects of change, and the leaders recognized that they too had to change, both in holding their people accountable, and in providing support to overcome barriers.

Changing people's underlying beliefs about how they do their work, overcoming their fear of change, allowing them the space to learn for themselves (and permission to fail), allowed this Maintenance team to step out of their comfort zone and try a new way of working. As a result, productivity increased against a lower cost base, there was real behavior change, and people have acquired leadership and change management skills they could use into the future.

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