## Should contractors have access to CMMS?

## Ask yourself strategic questions before you open your asset management software to outside personnel.

By Mike Bacidore, chief editor

How large does a customer have to be before it makes sense for a contracted service provider to perform MRO support within the CMMS? "For our customers, we find the true decision point hinges around the value the CMMS system provides in running effective operations, explains Rob Bennett, global product manager, asset management, Rockwell Automation (www.rockwellautomation.com). "Those customers who have come to realize the value of the CMMS system and the benefits that it can provide to the organization understand the importance of sustainable processes and the people executing those processes. Contracted service providers can help design effective plans for companies to fully utilize their existing systems or assist in the implementation of new systems, no matter the size of the organization."

To learn more about contracted services, read <u>Knowing when to</u> <u>contract services can mean the</u> <u>difference between optimization and</u> <u>failure</u>. The size of a customer may be less relevant than one may think, says Sandy Cater, discipline lead, supply chain, <u>GPAllied</u> (www.alliedreliabilitygroup.com). "The organizations for contracted services would need to provide a quote based on specifications of service requirements that the customer would then

compare against current costs and skill sets." For a cost example, salaries and labor may be very high at a smaller customer, which may lead to the determination that outside services generate a cost savings, explains Cater. For skill set, the actual level of personnel skills may require a huge investment in time and money that could immediately be covered by an outside service.

"It's true; size doesn't matter," agrees Burt Hurlock, CEO of Azima DLI. "The right question is, 'How costly will the failure be?' Our service scales right down to individual machine tests. If that test exposes an imminent catastrophic failure of a major piece of machinery, the return on investment is all but infinite. Only someone unaccountable for the failure would choose to save the money or avoid the advice."

The question of integrating to the CMMS system can only be answered by culture and the customer-vendor relationship, explains Hurlock. "With trust, the integration can yield efficiencies around response times and work process optimization, but not without a period of fine-tuning the inputs, which will put trust to the test. Without trust, crossing the CMMS divide is a formula for disaster and finger-pointing. Ironically, the enterprise-level managers for whom we work frequently inquire after CMMS integration, but, when the order arrives at the plant, implementation often fails to materialize. This may be because there's a perception of lost control, a fear that an outside vendor may recklessly populate the CMMS with frivolous work orders that will overtax plant staff, which might be another way to express distrust."

In the past, the ROI on a CMMS used to be highly dependent on the size of an individual operation, explains Mark J. Cundiff, global sales manager, chemical & petrochemical for <u>ABB Full Service</u> <u>(www.abb.us/service)</u>. "In today's world, with Web-based applications, size per plant does matter. The biggest contributors to asset performance are operations and maintenance, and especially the cooperation of these functions."

For more articles on contracted MRO services, startdirector at Hughes Communicationswiththisoneontherelationshipbetweenand a portfolio manager of the humancontractors and CMMS.resources and labor law areas at

And this three-part series on contracted MRO from the University of Illinois and an services are invaluable for sizing up your strategy. MBA from Lake Forest Graduate

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