

Benchmarking with VDM



The VDM Control Centre, launched recently by Mainnovation, allows maintenance managers of large and small companies to measure and benchmark their maintenance performance against anonymous companies in the same industry, says Henriëtte van Norel.

The database of the VDM Control Centre currently contains the results of about one hundred companies, mainly manufacturing companies, from a wide diversity of industries. The first five industries recently officially released for benchmarking purposes are the food, pharmaceutical, paper, chemical and energy industries.

Mark Haarman, one of the two managing directors/owners of Mainnovation, says, "According to VDM, benchmarking is not a goal in its own right, but it enables you to find out where a company currently stands and how the engineering department can help create value for the company."

Partly because maintenance serves several interests within a company (plant availability, safety and cost control), it was impossible to define a single universal indicator to measure the total performance of a maintenance organisation. So Mainnovation designed a control panel to measure the ten organisational competences of an engineering department.

"As many maintenance organisations use a computerised maintenance information system, it was important when developing the control panel to make sure the systems were capable of calculating the KPIs," says Remco Jonker, Executive Consultant at Mainnovation.

Membership of the online platform is by payment of an annual subscription fee, which includes a two-day strategy workshop given by a VDM expert, who discusses and analyses calculated KPIs. The value driver analysis is also carried out and a design produced of the "Most Valuable Maintenance Organisation".

The entered data and value calculations are not released for benchmarking purposes until approved by a VDM expert from Mainnovation. This working method is strictly observed to guarantee the reliability of the data in the VDM Control Centre.

Armed with the design of the Most Valuable Maintenance organisation, the engineering department can set to work on improving maintenance performance. After one year, the VDM expert returns to examine the status and/or whether the selected value driver is still the dominant one. If not, it will be necessary to change course. For this

purpose, a benchmark and value driver analysis will again be carried out using the latest data.

When IFF Global took over flavours and fragrances manufacturer, BBA, in 2001, the production sites of the two companies in Europe were merged as part of the restructuring of the logistical supply chain. For the production location at Tilburg in the Netherlands, the restructuring meant about a 30% growth of volume and thus greater utilisation of capacity. As a result of the takeover, two of the five factories reached 100% capacity utilisation. The combined production capacity of all factories had to be increased by approximately 15%. This was achievable by raising machine availability, which depending on the factory, varies from 90 to 97%, and by contracting out work. The need for a solid maintenance policy quickly became apparent. Gillis Verbree, Manufacturing Manager at IFF, says, "We chose the VDM method, partly on account of the possibilities for benchmarking and a higher level of abstraction." Subsequently, IFF used the VDM method to produce an improvement plan, focused on raising machine availability.

Before Mainnovation launched the VDM Control Centre, a number of companies were allowed to use it behind the scenes, including DSM. Towards the end of the 1990s, DSM saw that it had too many activities that weren't creating value for the company, including maintenance. Using VDM, the Maintenance User Group of DSM, headed by Leo van Dam, chose the right course for its global maintenance policy. This presented an opportunity to make the best practices, already being used by some plants, the standard working procedures and then implement them at other plants in the world under the Manufacturing Excellence banner. This process has now been going on for more than four years. Using the VDM Control Centre, DSM was also able to benchmark its sites against each other.

Asked what DSM had learned from using VDM, Jos Groffils, who at the time was a maintenance manager at DSM Specialty Compounds, says, "The ultimate saving was double what we had estimated at the outset. By carrying out maintenance professionally and efficiently, you can lower your costs and raise your machine availability" **ME**



This is an abridged version of an article which first appeared in the Dutch magazine

For further details quote the relevant enquiry number on the inside back cover

Mainnovation
Reader Reply Number: 703