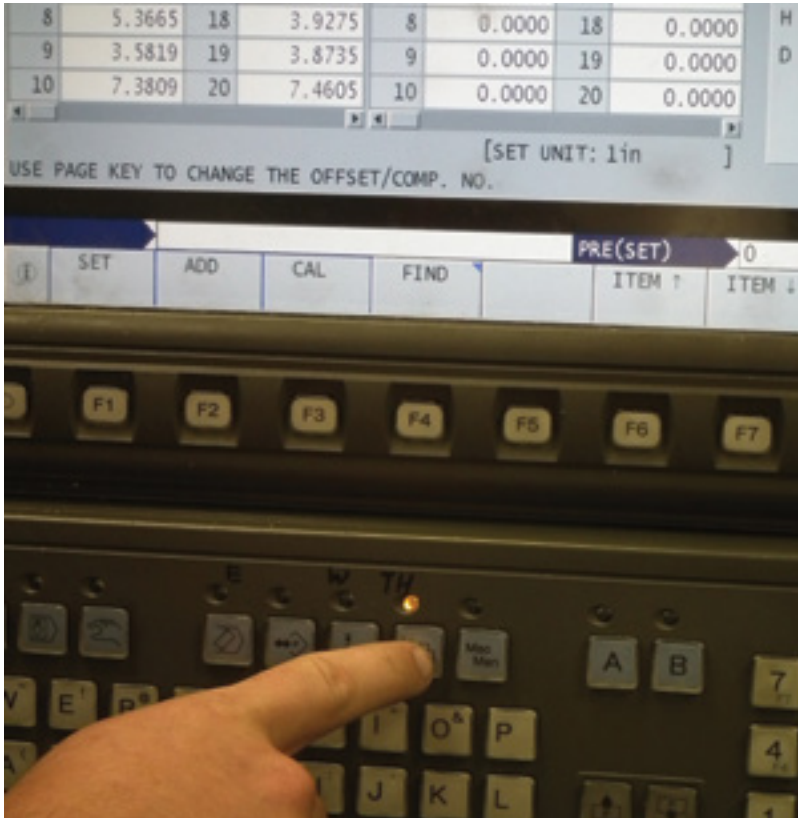




# Investing in Anticipation

By Miles Free, Director, Industry Research and Technology / mfree@pmpa.org



I was intrigued by a recent discussion on the PMPA's Manufacturing Listserve. It involved whether programming for machines is best handled by operators on the shop floor or "from the office" by the engineers or programmers.

There were many opinions... many good points raised...and many great reasons given to support each philosophy. However, there was one idea not brought up that I want to explore — our industry's fixation on "leaning out the cost of improvement."

No one would argue that the best way to get the program into the machine is the one that is most

direct and has the least amount of waste. Looking at events discretely, as an activity, makes it possible to wring out the last little bits of waste.

No one would argue that the work should be performed at the organization's lowest level that is qualified to do that work properly. This is a corollary of the principle of "operating at highest and best use." Our people and equipment are creating the greatest value when they are operating at their highest and best use.

When you compare the hourly rate of the engineer/programmer to the hourly rate of the machine set-up operator, it looks like the best

decision is to let the lowest-cost employee "fist in" the program. But is it?

Depending on how long a job is going to run, the best investment may be to have the engineers invest some additional time on the program. They can minimize all waste and redundancies in the code and get the job to run at the absolute lowest cost possible.

On a short-running job, there is not much point in investing a lot of time to absolutely optimize the code. The few hours that the machine will be running may not be enough to pay for the programmer's time to optimize the job. So, having the shop guy enter the code as is makes great sense. Dollars and sense.

However, if the job is going to be on the machine for weeks, on a much longer run, why wouldn't you want to invest in a little more of the engineers' or programmers'

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time? That allows you to exercise their creativity, assure flawless execution and use the lessons they've learned to preplan and assure the lowest possible machine time.

To my mind, the following are more relevant questions for our businesses: Do we have a policy for investing in anticipation? Do we have a policy for investing in process optimization? Where should we spend a little more of our intellectual capital to achieve greater value for our shops?

Are we ruled by the "tyranny of urgent" to just get the programing done and into the machine in the least amount of time and at the lowest cost? Or, are we driven

to create the greatest value for our companies by methodizing the engineering and more rigorous preplanning?

The very best managers are not those with great coping skills. The very best managers have the ability to anticipate and eliminate potential problems, not just cope with them. Do we have a line item for investing in anticipation? Or, do we just try to minimize each cost as we encounter it, without looking at the system as a whole?

Lead time orders are virtually non-existent these days. Every customer wants his or her job today. But how many more jobs could we fit in if our longer-running jobs had

an additional half hour of what-if engineering creativity applied to their optimization? How much more profitable might we be by the end of the month?

Looking to minimize the costs of a single activity (like getting a program into a machine) is a good idea. Looking to maximize the value to the enterprise is a great idea. It's also an idea that just might be contrary to minimizing the cost of any single activity.

Are we truly designing our work to minimize overall shop cost...or are we succumbing to the tyranny of the urgent to get individual tasks completed quickly?

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