

What Gives Your Shop Traction?

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t is winter, and for those of us in the northern part of the continent, issues of traction (vehicular and personal) are a daily focus. Is there snow or slush? Do bridges freeze before road surfaces? Is that sidewalk or pavement clear or is it black ice? Failing to understand the threats to our traction can result in accident, pain or injury. So at this time of year it is important to give some extra thinking and awareness to issues of traction and mobility. At least it is if we want to remain on our feet or keep our vehicle in the proper lane. How

"Technology, knowledge, staff capabilities and scale are four determinants of our shops' traction."

about our shops? Are we aware of what is it that gives our shops traction? What is the equivalent of four wheel drive for precision machining?

Four Tires of Traction for Precision Machining Technology

Technology is probably the first area that we would think of that gives our businesses traction. The level of our technology determines the jobs we can accept and the customers we can serve. It determines the materials we can machine, as well as our capability for quality and precision. Technology also drives our productivity and thus our potential profitability, as productivity increases have been outpacing unit labor cost since third quarter 2009. Technology is certainly a key determinant of our shops' traction, and predictor of markets we serve and probable success.

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Knowledge

Knowledge is often lumped in together with technology. But I think that it is worth being considered as a separate driver of our shops' ability to hold the road. Just as having plenty of horsepower under the hood can mean trouble in the hands of an unskilled driver in bad weather, having the latest technology without the market and engineering savvy to drive it well can get a shop in trouble. Knowledge of markets, understanding tolerances and manufacturability, and knowledge of products and their application can help us identify inferences and unstated requirements on the jobs that we quote. There is a huge difference between knowing that your process can hold the given tolerance, and understanding that at that tolerance, surface finish is also going to be an important issue for the fit and functional performance of the part. Knowledge, personal, tribal and as an entire company, is a key capability that helps your shop stay in the lane and drive the technology safely to satisfaction for your customer and safely for your enterprise.

Staff Capabilities

Staff capabilities are different than knowledge. Staff capabilities help assure that the technology is deployed to its highest and best use. This is akin to having the car in the right gear when approaching a curve. Not all driving is done

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in broad daylight on dry, well-marked highways. Sometimes we find ourselves driving in the darkness, visibility limited to our head-lighted area, and with little knowledge of what may lie on the road ahead. Our shops too lack a clear vision of what may lie ahead, and we all know that the conditions for sustaining our business continue to grow more challenging from global competitiveness and adversarial government actions in regulatory, tax and other areas. Having a knowledgeable staff is necessary, but not sufficient. As the challenges we face continue to expand, so too does our need to reinvest in keeping our staff up to speed. Continuing education and training for all of our team members is critical to assuring our performance when the going gets tough.

Scale

Scale is probably the one determinant of our ability to serve the market that we take for granted and fail to give much consideration. Order quantity determines the capacity that your shop needs to successfully deliver the job, just as tolerances and features determine the capability needed. Most of us recognize that we have what we have when we are driving in difficult conditions. And I think that all of us realize that we have what we have when we approach a difficult stretch in our business journey. But unlike while driving, we

can change the relative scale or capacity of our shops as circumstances dictate. Having a third of your shop's floor covered with idle machines is not "being prepared" for the future. It is a parasitic load on the productive-capacity of the remaining production. There is no honor in keeping obsolete or unused equipment. Sunk costs are sunk costs. Look at your unused capacity through the lens of "highest and best use" to determine if it really belongs in your shop or ought to be converted to cash to allow you to upgrade your capabilities in technology, knowledge or staff capability.

Just like we put on proper boots, assure our tires are in good shape and walk or drive carefully according to conditions, so too should we as managers be paying attention to the four drivers of our shops' traction: having and understanding our technology, knowledge, staff capabilities and scale. Over- or under-reaching in any of these areas can put us into a skid or cause us to lose control, making us take extreme actions to keep on track. Yes, it is important to keep our eye on the goal. But even more importantly, it is critical to understand what gives our shops traction and drive them accordingly.

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PMPA Member Profile - Mastercam

"One of my most positive experiences through PMPA was actually going to a conference in Switzerland. I was able to learn about what the companies in the precision machining industry in Europe do and how they do it," Mr. Hargreaves said. "It was a great educational experience."

"PMPA really focuses on education of not only their current members, but of the future members. It's exciting to be a part of that," added Mr. Martel. "Beyond that, I'm very impressed with how PMPA is organized internally as well as how they organize their events."

Mr. Martel also explained that the information shared on all levels ranging from the technical conference to the Management Update and even local chapter meetings

provides an exceptional value to Mastercam as well as to the individual staff members.

"One of our original reasons for joining PMPA was for networking, which has been incredibly important for gaining face time with the customers that we serve. We also got involved for the many PMPA resources that are available to us," Mr. Martel continued. "As a company, there are many more opportunities we can take advantage of and there is even more that we can learn about the organization."

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