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## **Major overhauls in maintenance legislation on the horizon**

For years, stockholders have pressured management to increase quarterly shareholder value without accountability for long-term decisions and implementing sustainable processes. That is changing. Shareholders have filed a “breach of duty” lawsuit against BP executives for not ensuring proper maintenance and repair processes. Joel Leonard predicts major overhauls in maintenance legislation.

PlantServices.com

By Joel Leonard

Consumers nationwide recently realized that BP’s corroding pipes in Prudhoe Bay, Alaska could tap into their wallets. Although that hasn’t occurred, the mere threat has caused alarm and concern about deferred maintenance backlogs in oil and other industries.

The outing of the pipeline leaks could do to maintenance what Enron did to accounting. Post-Enron, the Sarbanes-Oxley legislation requires corporations to implement extensive reporting and audits. While many deem them a nuisance that some say have raised operational costs by 37%, other leaders believe the extreme changes have been healthy and restrictions will be eased as confidence in financial reporting grows.

For years, stockholders have pressured management to increase quarterly shareholder value without accountability for long-term decisions and implementing sustainable processes. That is changing. Shareholders have filed a “breach of duty” lawsuit against BP executives for not ensuring proper maintenance and repair processes. I predict there will be major overhauls in maintenance legislation.

Although unsettling, the extra attention will help provide maintenance leaders a better chance to strengthen their function than any other time in history. For years, maintenance has been misunderstood, underdeveloped, reactive and short-term-driven by execs, who were only taught the ledger components of maintenance in their MBA programs. Some ugly parts of this process will be additional legislation and regulatory audits. However, in the long term, this will work to maintenance’s advantage, especially if we participate in the legislative process so outsiders actually create improvements, not just additional paperwork and bureaucracy.

Many nervous CEOs or their minions will be doing spot inspections. Some already are. We need to be ready for their visits, to help them understand the purpose of maintenance and strengthen maintenance to endure the imposed additional requirements.

“It is better to prepare and prevent than repair and repent,” says Jeff Ingram, multicraft apprentice, MPACT Learning Center.

What would the CEO say if he walked into your office today? Would he have confidence or concern? Following are some tips to prepare for increased scrutiny:

- Track and report your total maintenance backlog and deferred activities. Prepare detailed and executive-level versions in layman’s terms so execs can understand your needs.
- To prove you have sustainable maintenance processes, develop and implement maintenance career progression plans, training programs and succession strategies for retiring boomers.
- Have ready a detailed list of what needs to be fixed, prioritized from critical items to desired activities.
- Cleanliness equals quality. Spruce up your department. Make sure your staff projects a professional image, wears uniforms, and looks neat, clean and tidy.
- Organize your MRO stores. Every component should be in its place, labeled and accounted

- for. CMMS should be implemented and information should be up-to-date.
- Have predictive maintenance reports handy to show vibration analysis, infrared readings, ultrasonic survey reports and lubrication studies. If you don't have this information, get it now.
  - Join a professional maintenance organization and earn maintenance management certification. Your certifications on the office wall will increase management's confidence in your abilities and qualifications to lead your department.
  - Post maintenance articles and the purpose of maintenance quotes. Use the Plant Services Maintenance Crisis Resource Center. Also have key maintenance reports, goals and graphs available for display.
  - Develop a maintenance newsletter to engender more support and appreciation of maintenance.
  - Find your weaknesses quickly (and at no cost) by inviting Association for Facilities Engineering ([www.afe.org](http://www.afe.org)) members to visit. They have chapters across the nation and they love to set up plant tours.
  - Contact engineers in the nuclear, hospital and food sectors. They have experience with regulatory oversight and know how to deal with documentation requirements and additional scrutiny.
  - Build more allies by providing maintenance department tours. The more transparent the processes and procedures, the more others from stockholders to upper management will understand and respect your activities, and the less likely you are to be hassled. Corporations will begin treating maintenance not as a cost, but as a resource to assist in profitability and sustainability goals.
  - Stay up-to-date on the latest news, abreast of legislation and get copies of new reliability laws. Meet your local legislators and share your views with them about the pending changes. We need more maintenance activists.

When the glare of the new scrutiny gets hot, remember, it could be worse. Maintenance could continue going under — under the radar, understaffed, under-funded, underappreciated and underperforming. We all know that maintenance is broken, and now we finally have a chance to fix it.

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