5 Ways to Minimize Manufacturing Downtime

Keyword: Minimizing Manufacturing Downtime

Downtime is dangerous to any manufacturing group. After all, the old saying comparing time to money is true. If people or machines are idle, then products are not being made. This affects a business's bottom line. Minimizing manufacturing downtime makes a company money. This increases the amount of products being made and raises profits. Understanding how to communicate and evaluate employees, providing regular maintenance and increasing incentives and establishing goals are some effective ways to minimize manufacturing downtime.

1. Update or Service the Machinery
Minimizing manufacturing downtime means preventing prevent machinery malfunctions. Outdated machines can really slow down the manufacturing process. Similarly, any piece of machinery that is continuously getting jammed or breaking down can have a huge impact on outcomes. Regular maintenance is important. Managers should stay up-to-date on the latest technology and suggest updates to improve productivity. There may be times when it is smart to install automated items to process raw materials or streamline the manufacturing process.

2. Explain Downtime to Employees
The best managers are clear and honest with employees. It is important that staff feel appreciated and listened to. If a supervisor explains the relationship between downtime and the business's profits, then staff may feel included in decisions, cared for, and will no doubt increase productivity. This is also a chance to ask staff for suggestions about how to limit downtime. They may have some great ideas about how to increase morale, service machines and produce more goods. It might even help to show employees each part of the manufacturing process. This helps them better understand their specific role and job.

3. Regular Evaluations
Employees who feel ignored may try to get away with more unscheduled breaks or working at a slow pace. Regular evaluations show employees that they are being monitored, which will minimize downtime and increase productivity. Evaluations should be constructive – people need to feel like they are valued if they are going to work hard for a company. If staff are held accountable, they will do a better job.

4. Monitor the Efficiency of Manufacturing Processes
Sometimes, there are departments that are affected by other groups or rules. For example, a specific piece of production may be held up if another department is experiencing issues or if there is red tape and paperwork. Smart supervisors will look at all parts of the manufacturing process to ensure that items are efficiently made, reviewed and distributed.

5. Establish Specific Incentives and Goals
It helps to give employees incentives and goals to keep them motivated. This ensures that employees will check one another when it comes to downtime and productivity. This is a chance to praise departments if they reach certain goals and to keep employees updated on productivity numbers. When goals are met, gift cards, paid lunch and small get-togethers can really drive staff members to do their best. Smart managers will post

status reports each day or even provide updates via real time on displays or over the loudspeaker. Everyone will feel valued if they are a part of meeting specific goals not just for the day but also for each quarter. Managers always need to follow through on all incentives and promises to build trust and limit the amount of downtime.

Happy and motivated staff will do a better job than employees who think they are only clocking in hours to earn a paycheck. Employees need to understand the role they play in the manufacturing process and understand that their supervisor cares about them as well as the manufacturing goals. Proper communication means talking to staff members about business goals as well as regular evaluations. Smart managers will make sure that all staff have incentives to excel and that suggestions are considered. By motivating and inspiring staff, downtime will be minimized. This also means that businesses need to periodically inspect and repair machinery and even think about upgrades. With the right employees, supplies and manufacturing tools, productivity will certainly increase and downtime will be limited.

Midwest Manufacturing - Turning Around the 2012 Decline

Keywords:
Manufacturing orders are down in the midwest
Midwest Manufacturing Declining

The trend of Midwest manufacturing declining is due to a triple hit between a Chinese ordering slowdown, Europe’s economy continuing to languish and the domestic U.S. fiscal direction being up in the air with the Presidential election. As a result, its no surprise then that the ability to sell and grow the movement of manufactured goods is suffering accordingly, especially on international markets.

The global economic slowdown has been around for a while, but it’s notable in the current year because the U.S. economy is now actually gaining some strength. As a result, the U.S. dollar is actually gaining strength against foreign currencies, especially where Europe is suffering in a prolonged financial depression. That makes U.S. goods more expensive and harder to ship overseas. Additionally, the home front has gone conservative in buying, especially in terms of capital equipment and large metal fabrication until a new President is voted in by November which will help define how the country will function financially and politically for the next four years.

For September, manufacturing orders are down in the Midwest, showing an overall slowdown of approximately 2.7 percent from gross production a month earlier. This decline was almost a repeat of the 2.6 percent loss from July to August. Overall the decline has manufacturing in the region down from 7.4 percent year to year versus 2011. The biggest loss was in automobile production. Midwest manufacturing for car production dropped 5.4 percent, following a steep loss of 10.8 percent between July and August 2012.[1]

1
http://www.onewall.com/homepage.nsf/pbview?Open&FSY=Blog&RestrictToCategory=ResearchZ.ZEconomics

Economists of all stripes expect manufacturing across the country to continue struggling through the end of 2012 until a new President is sworn in. Despite all the bad tidings above, a number of fronts are working to stabilize the situation and create resources to help cause growth again.

First off, the Federal Reserve will continue its policy of keeping primary interest rates low through the end of 2012, making financing cheap and available through the next year. For large manufacturing corporations, this is good news as they will continue to be able to find low-cost financing for capital improvements and equipment replacement.

Second, the federal government continues to support taking mortgage-backed securities off the backs of banks, releasing them from their liabilities that drag their solvency down. As a result, banks get freed up to make more resources available to businesses proven to be good investments and borrowers.

However, manufacturing companies need to continue pushing hard. Quite a bit of manufacturing is driven by government spending. Whether it is in defense or domestic infrastructure, capital equipment and improvements result in millions of dollars of revenue from government projects. However, the federal government is facing significant trigger cuts come January 2013 due to Congress' inability to arrive at a long-term budget solution in 2012. As a result, even a 10 percent across-the-board reduction in government spending at the federal level can have a huge hit on manufacturing via contracts and procurement. States are in the same boat.

The response from manufacturing in these financially tougher times, believe it or not, needs to be an increased presence and lobbying in the government quarters. Manufacturers who want to protect the revenue streams they have or gain more need to push on government representatives to protect their existing contracts and keep new ones coming. Otherwise, the reduction of spending will literally wipe out a number of players reliant on such contracting.

Manufacturing orders are down in the Midwest because sales have dropped. Sales continue to be the bread and butter of manufacturing. Assembly and production simply doesn't happen without orders and purchases occurring. As a result, when there's a slowdown, that's a clear signal manufacturers have to double-down efforts to increase sales figures. Whether it is government purchasing or private side orders from domestic or international buyers, sales need to increase to turn the manufacturing decline around. Fortunately, in many cases, salespeople are paid on commission. So the cost of their efforts gets paid when they are successful. As a result, the more effort thrown into the initial side of the sales channel, the more orders are likely to occur from the effort.

Streamlining operation costs is a common response in manufacturing when times get tough and orders drop. However, this is a delicate response. Cutting back too much can eliminate capacity when orders do come in, reducing sales or even losing orders being unable to meet demand. Short-term savings to reduce costs can easily result in lost profit overall. Manufacturing managers have to be extremely careful with this approach, but it can produce quick flexibility financially to stay in the black.

Overall, it's likely the September decline will continue if Midwest manufacturers don't take responsive action. Most are still in business because they do respond well. That said, it's likely that much of the results will end up just holding even through the end of

2012 versus declining further. If stabilization can occur, that's a win, especially for capital equipment manufacturers that deal with high cost metal product production.