

The Keys To World-Class Finishing

What underperforming finishers don't know (that good ones do).

Regular readers of "Never Finished" will recall our May edition, where we shared the 21 ways to complete the sentence "Your coatings plant may be out of control if ..." Cancelled meetings, overreliance on 'tribal knowledge' and unlabeled shop orders were just a few examples.

We promised a follow-up this month that would explore how world-class finishers have managed to build high-performing organizations. For the answers, we consulted the same group of industry professionals referenced in last month's column—with 51 years of coatings industry experience among them—to answer the question of "what underperforming finishers don't know (that good ones do)?" The results are in, and it turns out there are seven key criteria that separate world-class operations from underperforming ones.

No. 1: all leaders of world-class coatings operations religiously and regularly read "Never Finished," the most eloquent, well-written column on the topic of finishing management in the ... just kidding. There are actually six criteria.

There are six key criteria that separate world-class operations from underperforming ones.

World-class finishers have a "Sparky."

Named for legendary Major League baseball manager Sparky Anderson, who won a World Series title with both the NL Cincinnati Reds and AL Detroit Tigers, Sparky could be the finisher's CEO, president, general manager, plant manager, etc. In any event, Sparky spends his or her time in the trenches, working alongside the people who actually do the work, pushing, pulling and hugging them as needed. Sparky obsesses about the business and doesn't mind the late-night or weekend phone call if it's necessary to keep the plant running when he's not there. Sparky is focused enough on the details to follow through on his commitments and hold his team members accountable, but keeps his eye on the big picture and understands how what he does today affects how the operation will perform six months down the road. Sparky is aggressive, goal-oriented, loves to win and is naturally disciplined. Sparky also intimately understands that ...

The team matters.

Looking all the way back to that pick-up game of kickball in second grade, we all knew that the team with the

best players usually won. WCFs are no different. Sparky surrounds himself with the best people and has a system for finding them. This system includes recruiting in creative ways and then understanding that, when hiring people for skills and abilities alone, we often end up firing, because the new hire's personality traits do not align well with the company's values. Thus, WCFs have a system that ensures not only that new hires are well qualified for their positions, but that they will fit the culture as well.

What gets measured improves.

WCFs have narrowed their financial performance focus down to the five key areas that every finisher must get right in order to perform well: revenue (or production volume), labor, materials (powder, metals, chemistry, etc.), energy, and water and waste disposal costs and maintenance. In the decade I spent running a custom coater, I knew that if I got these five items right I could have a great month. If I missed on one I could survive,

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but if I missed on more than one I was in trouble. WCFs have a metric—labor cost as a percentage of revenue, for example—for each and every one of these key areas, and they report performance against that metric regularly—as often as daily.

WCFs get throughput.

I had the pleasure of presenting the concepts of Quantum Throughput Maximization at the ECOAT 2012 show earlier this year in Orlando. QTM is a system that enables a coating process to produce the maximum amount of conforming product by “focusing on the little things.” From setting the right expectations, understanding the seven deadly wastes, using a Kaizen or other continuous improvement process to reduce rework, filling the window, maximizing line speed, eliminating downtime, reducing the impact of changeovers, and properly sequencing product, WCFs obsess about throughput. In short, they coat more conforming product in a shorter period of time.

WCFs create the same day every day.

They understand the importance of standardized business practices and know that the more they can make today like yesterday, the less variation there will be to their business model.

Perspective.

WCFs know that business is all about problems—averting them, recognizing them and fixing them. By keeping their problems in perspective and not blowing them out of proportion, WCFs stay focused on the right things, and they come out ahead.

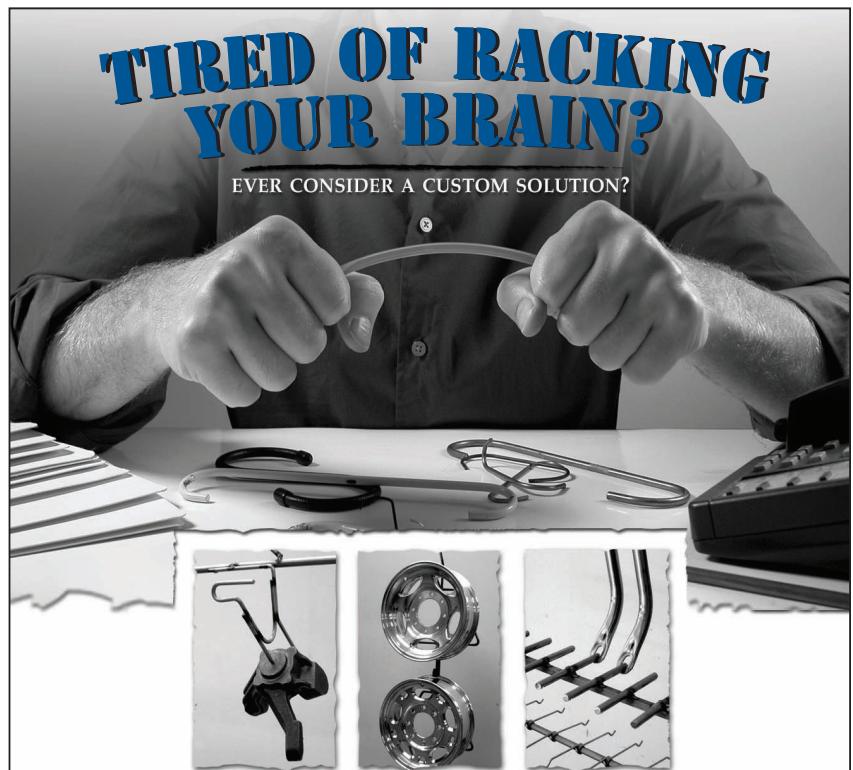
Running a coatings operation isn't easy, but it's a lot more fun when your operation is “world class” than when it's underperforming.

Now we know what makes the difference. ■

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