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Do You Consider Your Metal Finishing Operation to be “World Class?”

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This was the question posed recently by a sales prospect. Offering the only response that seemed appropriate at the time, I stated with confidence, “Absolutely.” When the prospect followed up by asking why

I thought so, I offered a mediocre response about delivering on time and exceeding the quality and service expectations of our customers. Once back in the safety of my car, this experience forced me to think about what, exactly, the term World Class means for a metal finishing company.

In consultant-speak, a World-Class company is one recognized as being among the top performers in the key performance areas critical to success in its industry. That sounds nice, but what does it really mean? I recently set out to answer that question.

After some deliberation and consultation with my management team, I arrived at the list below. I suggest that if the items in the list describe your organization, then it can be defined as World Class. How many of these statements fit your operation? Keep score and review the scale at the end to see how you rate:

A World-Class Metal Finisher:

1. Maintains a registered quality system and uses it in the active management of its business.
2. Measures ontime delivery on a daily basis and sets and meets delivery goals appropriate for its market.
3. Ensures 100% lot control for all orders at all times.
4. Operates a formal and documented preventive maintenance program.
5. Maintains a neat and orderly facility (dikes are clean, packaging materials are organized, tools are in their proper locations, orders are labeled, etc.).
6. Uses a formal process control system for the maintenance of chemistry, including no action, action and control limits for all applicable variables.
7. Sets production standards for all orders, measures actual performance to standard and communicates results to the shop floor.
8. Initiates regular cost and waste reduction programs and measures the results.
9. Has a formal employee safety program including regular safety training and internal safety inspections.
10. Has a formal and thorough position-specific training program.
11. Ensures that qualified employees are paid at or above market averages.
12. Completes preliminary financial statements within three days of the close of each month and final statements within one week.
13. Prepares regular financial projections throughout the month and year.

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14. Has a formal financial incentive program for all employees.
15. Plans, budgets and manages all capital equipment projects, determines payback expectations before each project begins and completes projects at or under budget.
16. Sets and meets goals to grow new business at an aggressive rate—minimum 10% revenue increase per year.
17. Has a formal system for selecting, qualifying and measuring the performance of suppliers.
18. Responds to quotation requests in less than one day and customer information requests within four hours.
19. Has a thorough understanding of individual customer requirements, customer product lines and markets.
20. Actively supports and sponsors employee participation in industry trade associations.
21. Has deployed a system to objectively measure customer satisfaction.
22. Uses modern computer software and up-to-date hardware appropriate to the needs of its business structure and customer requirements.
23. Consistently produces accurate paperwork, including shop orders, packing slips and invoices.
24. Has positive cash-flow and makes necessary investments in new equipment and improvements to its facility.
25. Has a formal and documented environmental management system and complies with applicable environmental regulations.

operation

(16-19) Gold—With a little work your organization could be World Class

(11-15) Bronze—On the right track but best pick up the pace

(10 or less) Arsenic—Be careful not to let the industry pass you by



Scoring:

(23-25) World Class

(20-22) Platinum—Extremely well-run