

Media Release

Automechanika Leading International Trade Fair for
the Automotive Sector
Johannesburg Expo Centre, 18 - 21 March 2009

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COST-EFFECTIVE SERVICING TRENDS WILL BE UNDER THE SPOTLIGHT AT AUTOMECHANIKA SOUTH AFRICA 2009

The current, global economic slowdown and the prediction of a tough year ahead are forcing most road transport companies worldwide to take a long, hard look at the way their business is running and then to implement actions to save costs. South African transport operators are all affected by the big change in business circumstances that occurred in the closing months of 2008 and are no exception in this ongoing push to improve operating efficiencies.

One of the areas that they are looking at to save costs is in the maintenance and servicing of their vehicles, according to local technical road transportation expert, Vic Oliver. He says that truck and bus workshop managers are under extreme pressure from management to find ways to cut costs and to produce a budget that is in line with their company's overall cost saving targets for 2009.

Oliver says he expects the topic of saving costs in servicing and maintenance to be very top-of-mind during Automechanika South Africa 2009 and the co-located Joburg Transport Expo. He expects this subject to be on the agenda at conferences and workshops that take place during the show period of March 18-21 at Expo Centre, Nasrec, as well as being a focal point of many of the displays at the four-day trade show.

Numerous debates are taking place at many levels in the transport industry on how to save costs. Vic Oliver, who has many years of experience in all facets of the business, says discussions revolve around issues such as extending service intervals and the ongoing debate about fitting "alternative parts" instead of genuine parts that are generally more expensive. Another question that is being asked is: "Should we only repair or replace a part when it is absolutely necessary?"

Fortunately, for the good health of the national fleet, Vic Oliver says he believes most workshop managers are not considering the use of the above mentioned ideas, which could be detrimental and costly in the long term. Wisely, they are rather concentrating on improving workshop productivity, general efficiencies and ensuring the effective use of all available resources to cut operating costs.

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Importantly, it is possible to measure all these factors and to track trends and discrepancies.

Productivity is the measurement of the amount of hours that the technicians work in comparison to the amount of hours that are available. Remember that you are paying for the hours available irrespective of whether the technicians are working or not, and once the hours are lost you cannot regain these wasted hours.

So, the workshop managers need to manage this function of productivity very well to ensure that the workshop output remains as high as possible. To measure this function the workshop must be equipped with a clocking machine and the technicians must clock the hours spent on each job card.

If you discover that your workshop productivity is low look for the following tell-tale signs.

- Rework required or come backs.
- Time wasted in waiting for parts.
- Inefficient workshop layout.
- Time wasted waiting for sublet work to be returned from outside suppliers.
- Slow distribution of job cards.

However, it is no good having a high productivity percentage in your workshop without measuring and controlling the efficiency as well. Workshop efficiency is the measurement of the amount of hours worked in comparison to the estimated standard flat rate hours as set by the manufacturer to complete a function. In other words it is the time that the technician takes to complete the job function compared to an industry standard.

This is an important workshop element that needs constant management attention, as it is the control of this function that affects the financial performance of the workshop. The percentage efficiency in a well run workshop is always well above 100%.

Low workshop efficiency is normally the result of one or more of the following factors.

- Problems with clocking the number of hours worked.
- Technicians that are not fully trained, or lack the experience to do the work in the allocated time.
- Workshop repair manuals and related information that is not readily available.

- Shortage of special tools and other equipment, needed to complete the job.
- Lack of quality control, guidance and motivation in the workshop.
- Lack of an incentive to encourage technicians to increase their efficiency.
- Poor housekeeping and safety standards.
- Time wasted in getting vehicles into the workshop from the parking area and congestion in the workshop itself.

Workshop effectiveness is the measurement of the hours that are loaded in the workshop compared to the hours that are available. Low workshop effectiveness is normally due to poor management and a lack of control over the vehicles booked in for service.

Good workshop managers work out the hours that are available in the workshop and then endeavour to load the workshop accordingly, without overloading the facility and the available manpower. On the other hand it is essential to ensure that sufficient work is loaded to utilise all the available hours and manpower.

This can be a difficult task in a workshop environment and requires constant rearranging of schedules to accommodate unexpected breakdowns and difficulties that sometimes arise with a job function on a vehicle, including delays in the delivery of spare parts or their unavailability from the manufacturer or distributor.

Careful control needs to be exercised to ensure that a workshop does not become overloaded or that the parking area becomes congested with vehicles waiting to enter the workshop. This unacceptable situation affects the fleet availability and also increases the load on work in progress, which are both financially unhealthy situations for any fleet.

Overloading the workshop and the facilities can also cause the workshop technicians to become very despondent and negative, and often leads to a high turn over of technicians.

Now is certainly the time for fresh and innovative thinking by the South African transport industry in terms of maximising servicing and maintenance outputs while cutting costs.

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