

Sasol executives discuss success of recent SAMI project

Strategic Asset Management Inc. (SAMI)

Sasol Synfuels, a division of Sasol Pty Ltd. of Johannesburg, South Africa, has dramatically reduced its revenue losses that had been a result of equipment reliability issues. An ongoing intervention in partnership with Strategic Asset Management Inc. (SAMI) focusing on the foundation processes for asset healthcare has improved maintenance artisan productivity by more than 45 percent. This additional work capacity has been applied to reducing equipment downtime thereby cutting revenue losses by 25 percent during the first year of sustaining the processes.

Recently, SAMI sat down with Sasol executives familiar with the project.

Please refer to the May 2005 issue of BIC, page 30, for an explanation of the Sasol project.

SAMI: What is your opinion of the SAMI staff and their qualifications?

BRAAM WHITTAKER: With respect to the qualifications and the competency of the SAMI staff I would say that they are well equipped, they know the process, they've got good experience, and I must emphasize this — they've got a lot of patience, and when you work in this environment you need a lot of patience, and they really have it.

LIONEL PRINSLOO: There was never arrogance from these consultants saying this is how you will do it and this is the only way.

WILLIE GERRITS: I think in terms of the theory or the principles of work management as well as in change management they're doing a pretty good job. It's a job well done.

SAMI: Did SAMI successfully adapt to your organization's (and country's) culture and work ethic?

CHARL BUYS: We realized from the beginning that SAMI knows quite a lot about culture and change management, getting people moved into a specific direction.

GERRITS: It took them a while. I think it will always be something to adapt to, but I think it will always be something able to be adapted to, but I think they've got the ability to do it and they did it. So you can see some of them, in over three months, really adapted to the way we work here — understanding the geographics and the way we do things here and in the South African environment as well.

SAMI: What is your opinion of SAMI's methods and business approach?

BUYS: Well, I think the SAMI methods and business approach are well thought through. It seems to be proven in practice in other areas, and we find that it is an excellent approach.

MARINUS SIEBERHAGEN: The normal approach to redesign is that of top down, and SAMI has presented something quite novel in the sense that it is bottom up. The mere fact that it presents itself in a triangle representing a hierarchy of competence, I think, is pretty unique. It's also very logic, and I think we were very much taken under by its approach.

SAMI: What long-term benefits/changes have become evident through your work with SAMI?

GERRITS: I think the understanding of work management and how to utilize labor much better is one huge benefit.

PRINSLOO: The long-term benefits are really where we have started to eliminate reasons for work. When I talk about reasons for work, it's the evergreens, the failures we have experienced for the last 20 years while this production facility has been in operation. And there were some instances in the past where we seriously worked on this to eliminate the reasons for this. I think the SAMI process has now brought a focus on this.

We've actually now developed a whole list of evergreen issues that our engineering group is now working on, and SAMI Stage 2 is now getting the focus that is needed. We have solved a lot of these issues just by focusing on it on the SAMI focus that we have currently.

SIEBERHAGEN: We believe we are seeing some of the long-term benefits already in the sense of improved stability and reliability.

Certainly we've found that in the last year and a half we've had fewer outages or plant interruptions due to maintenance problems.

SAMI: How has change been introduced into your organization? What change management methods were utilized?

BUYS: All the time I experienced that there was no trying to force a specific type of work method but instead getting the guys in the plant to really define the requirements and needs that they had, properly defining the work methods that will solve those needs and then talking it through in detail before they started to implement it. It was very participative.

GERRITS: I think the thinking of the people is maybe the major thing here because everybody thinks in a disciplined fashion — thinking forward and thinking to protect the schedules.

PRINSLOO: What SAMI brought along to us is they said that the targets you need to put on the table must be really stretched targets. And SAMI also taught us about this whole issue of you don't always know how you will

realize the targets but in the process, your people's creativity and innovation will bring you there.

SAMI: Has SAMI met your expectations? If not, what could have been done differently?

GERRITS: Of course. Yes (SAMI) has met my expectations in full. It's a tough environment — you know changing the South African Sasol culture here in Secunda. With this major, huge plant we've got different people, different equipment, different issues all over the place, I mean thinking about working with the number of artisans, group leaders and production people and that supplying and sorting out these issues is massive. It's really massive. But for sure yes, we did it.

SIEBERHAGEN: Yes, I believe SAMI has met our expectations. In terms of the business case we're certainly ahead of the original planned returns on the project.

WHITTAKER: I can say that at this stage SAMI has met my expectations and has met most of the expectations of the people

in the business units.

SAMI: What is your overall opinion of SAMI?

BUYS: I think SAMI's focusing on the right stuff overall as an organization. If I remember correctly their motto is, "We Deliver Change," and they're really good at it.

SIEBERHAGEN: This is the first and only company that I have come across that actually has this bottom up, and it plugs in very well or integrates very well with any business process or any design process that you get from your normal business improvement projects.

WHITTAKER: My overall expectations and my overall view about the SAMI process is that we've really achieved getting discipline back into our work environment with respect to maintenance and the interaction between maintenance and production.

For more information on SAMI and additional case studies, please visit www.samicorp.com or call (860) 675-0439. □



Strategic Asset Management Inc.
We Deliver Change!

SAMI is a global management consulting group specializing in Asset Management strategy development and implementation. We lead the industry in defining and implementing Strategic Asset Management for clients and enable organizations to progress quickly from thinking differently, to acting differently, to establishing a new Asset Management Culture.

What We Do

- Achieve dramatic financial improvements with our clients, generating ROI's 3x to 100x our fees
- Lead the industry in defining Strategic Asset Management (SAM)
- Work with clients to create and implement their Operational Excellence (SAM) strategies through collaborative Strategic Planning, Design, and Implementation of major change initiatives within a condensed timeframe
- Ensure that improvements implemented are significant and sustainable in the new culture
- We deliver change!

Log onto www.samicorp.com/BIC to request a free copy of S. Bradley Peterson's article, "The Future of Asset Management."

25 New Britain Ave. • Unionville, CT 06085 • Ph: 860-675-0439 • Fx: 860-673-2005