Dear members and friends

GSMP had a great and active first half of 2014. As you will see in this issue of GulfMaint, the Shutdown & Turnaround Management Forum organized by GSMP was held in Doha, Qatar last March. It was our first ever experience of organizing a specialized technical event and was indeed exciting and rewarding. The engagement of the participants over the two days, the learning that took place and the presence of local leaders, all exceeded our expectations. All the efforts put by the organizing committee and GSMP staff was really worth it.

Added to the Forum success was holding two technical dinner meetings during the first quarter of 2014 of different flavor. The first one was at Yanbu, Saudi Arabia, which was a new territory for us; and the second one was at Bapco, Bahrain, where the meeting was targeted for one company, professionals and management.

Having said all that, we still have the remaining of 2014 with all the different activities planned ahead, technical dinner meetings, CMRP certification, and Maintcon2014 which should be exciting and at the same time challenging.

In addition, a new GSMP board of directors was elected on April 2014. This is the third board since the existence of GSMP and again marks the commitment of the members help grow GSMP.

I hope you will enjoy reading this issue of GulfMaint and we look forward for your participation and contribution in the future issues.

Thank you.

Nezar Al Shammasi
Chairman
Over the years there had been a move away from the maintenance strategies in which most of the focus was on the assets themselves, towards a wider view of business performance (Outcomes). This approach is always referred to as (Business Centered Maintenance). Maintenance organizations tend to adopt a pro-active profit-focused approach to narrow the gap between manufacturing actual costs and ideal costs (eliminate waste).

How do you see Maintenance? “What is the first thought that comes in your mind when the word maintenance mentioned?”. The most common views on Maintenance it is High cost activities required to keep plants running. Another view, see Maintenance as Underutilized function and not highly valued for the exploited opportunity for competitive advantage. In general, the traditional thoughts around maintenance as the necessary devil!

“Maintenance in a world class environment cannot be the same maintenance we are used to in traditional manufacturing”. We have tighter profit margins and high market competition which was not there just few years back. Sustainability, is an essential part of our future operating rhythms, it is the way forward for successful and built to last organizations. The pool of Skills / knowledge/ Talent is depleting. Maintenance is often the major employer of people and can account for up to 40% of total costs in a company.

In a benchmarking exercise, Wireman found that the maintenance cost for industrial firms in the USA has grown by 10-15% per year since 1979. Maintenance costs as a percentage of operation expenses in mining, oil, gas, and petrochemical industries are a significant portion (30%-40%) of operating costs.

Constant need to improve equipment uptime at lowest cost is necessitating radical changes in the way in which we practice maintenance. Maintenance to be viewed somehow as a “Investment/Profit Center” rather than a “Cost center”. Business Centered Maintenance is a major revolution in reliability thinking.

Important billers for successful Business Centered Maintenance depend on the organization overall strategic direction, it is important that senior management set clear directions first. The other biller is about Results tracking;

Monthly Maintenance KPI’s (to drive improvements), Financial Reporting are essential to drive results. Organization behavior and Disciplined to the best practices deployment, development, implementation and sustainment is essential enabler to achieve the strategic direction.

The Business processes act as a catalyst for change and the integration of the desired business actions with defined responsibilities, linked to the transactional activities of the system, provide a clear path for the inculcation of the Business Centered Maintenance strategy.

Organizations that have adopted the culture of Business Centered Maintenance had successfully integrated the maintenance process and behavioral attitude within to drive business benefits forward.

In Summary

• Maintenance in a world class environment cannot be the same maintenance we are used to in traditional manufacturing.
• As we enter the new millennium a sense of co-destiny with our manufacturing partners and urgency is pulling maintenance into a more profit centered role.
• The need for different and improved maintenance is being driven by the need to constantly narrow the gap between actual costs and ideal costs.
• The shift of emphasis towards failure prevention, elimination of waste and profit centered maintenance will not just happen.
• We have a long way to go to eliminate waste and inefficiencies from our manufacturing organization.
• Business Centered Maintenance is not a program; it is a way of performing maintenance.
• In that sense it is a journey, not a destination.
INTRODUCTION

I hear a lot these days about “Operations Excellence” or “Manufacturing Excellence” as I visit with Senior Management in various companies. It is the latest “buzz phrase” for performance improvement. Achieving Operations Excellence is certainly a worthwhile goal, but very few executives understand it fully, and fewer understand how to achieve it. In fact, Operations Excellence, or OpEx, is not something to be “achieved”; it is a journey toward excellence to be supported by a culture of continuous improvement.

Operations Excellence or Manufacturing Excellence (we will use OpEx to represent either) can be defined as the ability of an organization to consistently improve and optimize the “productivity” or “utilization” of its production assets. Every company has an “Organization Culture” that defines the behaviors of its leaders and members and determines the performance of the organization. The fact that establishing an OpEx Culture means embarking on a journey toward continuous improvement implies that we need a road map that has a starting point and milestones ahead that represent specific achievements. The obvious implication then is that the objective is to make change happen and to manage that change. Changing organization culture requires an effective Culture Change Process and a Behavior Measurement System. It requires changing individual behaviors in all functions of the production process represented by the four sides and base of the SAMI Pyramid; Production, Asset Healthcare, Capacity Planning, Logistics, and Organization Excellence (www.samicorp.com).

The OpEx concept is particularly important in the Arabian Gulf, in the current economic environment as the industries here strive to meet market demand for legacy products and develop capability to produce new ones. As we expand producing capabilities, old inefficiencies and asset productivity rates will go with them into the new facilities.

The Road to Operations Excellence (Opex)

JAMES W. DAVIS
P.E., C.M.R.P., Managing Director, Sami Arabia

HOW DO YOU KNOW IF YOU’RE ON THE JOURNEY?
The characteristics of an OpEx Culture are readily recognizable:

- Does your management team have a strategic plan for continuous improvement?
- Do you have an agenda and objective for each meeting?
- Do you regularly review and discuss the trends of Key Performance Indicators?
- Is there a well defined plan for improving the performance of your production asset?

HOW DO YOU BEGIN THE JOURNEY?

As with a physical journey, the road to OpEx begins with understanding the Organization Culture today in quantifiable terms and establishing a destination toward a new culture in the future. Once this information is available, we can map out a strategy for moving toward the destination and measuring progress as we go.

As M. Harry and M. Shroeder stated in their book, “The Six Sigma Way”:

- We don’t know what we don’t know!
- We can’t act on what we don’t know!
- We won’t know until we search!
- We won’t search for what we don’t question!
- We don’t question what we don’t measure!

At SAMI we use our APEXTM software to measure the four domains of a Performance CultureTM, then use the same tool to track changes until the new behaviors are sustainable.
Turnaround & Shutdown Forum Doha

GSMP organized the Turnaround and Shutdown Management Forum 2014 (Turnaround 2014) held at Doha, Qatar on 4th & 5th March 2014. This was the first specialized forum ever organized by GSMP. The event was inaugurated by keynote speeches by Mr. Ahmad Saif Ahmad Al Sulaiti, Operations Manager of Dukhan Fields, Qatar Petroleum and GSMP Chairman, Mr. Nezar Al Shammasi.

The Forum attracted 117 delegates from industry professionals and service providers from all over the GCC countries. The Forum provided a great opportunity for the participants to exchange knowledge and experiences in a very essential part of the maintenance and asset integrity of any facility. Ten (10) rich papers were presented and a panel discussion conducted addressing some critical areas of turnaround, such as planning and scheduling, managing contractors, work scope management, as well as quality assurance and control. Turnaround 2014 also provided a great platform for networking enabling delegates to expand their connections within the Gulf Region.

Both Saudi Aramco and QAFAC were honored for sponsoring and supporting Turnaround 2014.
YASREF sponsored GSMP technical dinner meeting held in Yanbu, Saudi Arabia on Tuesday January 7, 2014. The event was attended by more than 100 professionals from the major local companies and ministries in Yanbu. The host of the meeting, Mr. Abdulhadi Al Juhani, Vice President of Manufacturing gave a welcoming speech where he shed light on YASREF journey and thanked GSMP for co-organizing the event with his team. Mr. Nezar Al Shammasi, GSMP Chairman, then gave a short presentation about GSMP journey and activities followed by a presentation by Mr. Hamdan Misfer Al-Elyani, Head of Reliability Section about YASREF Reliability Management System. It is worth noting that this was the first GSMP event held in Yanbu.
Awali – Bapco

The Bahrain Petroleum Company (Bapco) has recently sponsored GSMP technical dinner meeting held in Bahrain in the attendance of a number of GCC maintenance professionals. The meeting was also attended by Bapco’s Chairman of the Board and Acting Chief Executive, Mr. Adel Khalil Al Moayyed, some board members of Bapco, Deputy Chief Executive (Refining & Marketing) Mr. Ebrahim Talib, General Manager – Maintenance Division, Mr. Khalid Al Sabbagh, and a number of maintenance officials from Bapco. During the meeting, Mr. Al Sabbagh made a brief presentation on Bapco’s history in maintenance fields as well as the programs and initiatives taken by the company in this regard to reduce expenses and enhance reliability and productivity. This was followed by the main topic of the meeting; Holistic Maintenance is a Pillar to Achieve Operational Excellence presented by GSMP Chairman, Mr. Nezar Al Shammasi.
Dear Valued Member,

Gulf Society of Maintenance Professionals (GSMP) Membership Committee had begun to distribute the membership cards among its 330 members.

MAINTCON 2014 is now quickly approaching, and we encourage you to renew your membership in order to take advantage of conference and/or CMRP Exam discounted fees.

If you haven’t received your membership card by now, please send us your current mailing address and we will make sure you will receive your card as soon as possible.

Dates for specialist training are COMING SOON!!!!

**November 2014**
CMRP Body of Knowledge by GSMP

**December 2014**
CMRP Exam
Maintenance Planning and Scheduling

Our specialist training is delivered by highly competent, recognised experts in their particular area of service.

Special Discount for GSMP Member

Location
**Bahrain Society of Engineers**
Juffair - Kingdom of Bahrain

Get to know more about our programs, events, and to register

info@gsmp-online.org
www.gsmp-online.org

+973 33944779

JOIN GSMP

- Training / Education / Workshops
  - CMRP Exam for members ($300)
  - CMRP Exam for nonmembers ($425)

Welcome to GULF SOCIETY OF MAINTENANCE PROFESSIONALS
GSMP is an independent, non-profit organization founded by professionals from major companies in the GCC region to promote the maintenance and reliability profession.
The Gulf Society of Maintenance Professionals (GSMP) invites you to join us for our third biennial conference, MaintCon 2014, December 7 - 10 in Bahrain. GSMP was established in January 2010 by a dedicated team of maintenance professionals and reliability engineers from major companies around the GCC. We encourage you to join us, as members of the society (www.GSMP-online.org) and as participants in the conference, where you have opportunity to network with other professionals, participate in educational workshops, present your technical papers, and be introduced to new technologies from around the globe.

Conference Venue
The conference and exhibition will be held at the Gulf Hotel, Kingdom of Bahrain. The Gulf Hotel is a FIVE-STAR facility and a landmark in Manama, just 10 minutes away from the Bahrain International Airport and 5 minutes from the City Centre. The Gulf Hotel offers 366 wellappointed rooms of gracious style, uncompromising efficiency and thoughtful technology. The Bahrain Conference & Exhibition Centre offers exhibition, meeting and pre-function areas with state of the art facilities. The hotel houses many of Bahrain’s leading restaurants.