This special summer edition of the Plant Exchange is specifically designed to communicate information regarding our restructuring initiatives within Plant Operations. Since each Associate Director has contributed information on their respective department activities, I’ll refrain from going into details, and instead, will talk about our objectives in approaching this project. The objectives of the program can be best summarized by the three principle Goals from the B&F Strategic Plan and two of Plant’s underlying principles. These are:

Provider of Choice – Maintain, in the face of growing pressures, a world-class facilities organization that is preferred by our customers for the quality of service we provide.

Employer of Choice – Balance the needs of Plant Operation’s employees with the financial and performance needs of the University by building on existing programs and then leveraging those programs to reach a higher level of performance and the associated employee satisfaction.

Best in Class – Continue to demonstrate best in class performance in the face of our growing challenges.

Control Cost – Strive to reduce and contain service delivery costs to a level significantly below our FY 2009 total budget allocation.

Improved Performance – Improve performance through: excellent communication at all levels, applying lean management principles and solid facilities management methods, streamlining our organizational structure, adjusting inefficiencies and wasteful activities, continued quality training programs and workplace motivational initiatives.

This final objective is strategic for helping us to achieve our objectives and the critical goal of cost containment. I think it is easier for us to understand what we need to accomplish when we define the restructuring activities in these terms. Thus far, everyone that we have approached and invited to participate in the various department activities has been eager and excited to contribute to the process.

On a related note, in May, I had promised to have our new information website up and running by the next issue of the Exchange. We are still working on the content for the site and will have it open for business shortly.

Thanks to all those who have participated in the project so far and, in particular, to Steve Brabbs who will be taking on a leadership role in the restructuring project in addition to his Communication Task Force leader duties.

More information to come, so stay tuned.
About the Plant Exchange

The Plant Exchange is produced by members of the Plant Operations Division at University of Michigan. Its purpose is to inform Plant Operations staff and the University community of activities, accomplishments, and information about our organization and the work we perform.

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Shaping the Future for Facilities Maintenance
Lowell Hanson
Facilities Maintenance

The future of the Facilities Maintenance department in Plant Ops will be impacted by three newly formed planning teams. These “Initial Planning Teams” will spend the summer brainstorming, identifying, discussing and vetting ideas against hard data from FMAX to enable Facilities Maintenance to more efficiently support the University’s teaching, research and public service mission.

Facilities Maintenance (FM) is a diverse and multi-talented service provider within the University. We are responsible for increasingly complex building systems and technology as we maintain one of the most technically complex rated campuses across the nation. This description of our campus was recently supported and highlighted by Sightlines, a national campus survey data provider.

FM has been facing a number of space key challenges in recent years, including the ongoing expansion of campus square footage. Our campus geography and service travel times also add challenges to our efficiency. The Pfizer campus acquisition of 2.2 million square feet this summer is a dramatic example. Limited financial resources from the State are leading to tightened budgets, posing challenges for years to come. The increasing quantity of work, our drive for customer service excellence, and the Pfizer acquisition are all influencing this key transition period within our FM department.

This being said, our department has great strengths which we will leverage during our restructuring process. The greatest of these strengths are the skills, creativity and commitment of our staff. The three recently formed teams have representatives from all areas of the organization – trades, maintenance mechanics, foreman, general foreman and upper management. We will be taking into account all perspectives regarding our work process as we look for ways to re-invent and improve what we do for the University. The teams will be holding day-long planning retreats in July and our team efforts will generate several key opportunities which are expected to shape the future of FM! Thank you to all of our team members for stepping up to this challenge!

PLANT ADMINISTRATIVE SERVICES

Extracting Data for Reorganization
Rich Steiner and Ted Gerutta
Plant Administration

The Plant IT team has spent many hours extracting data from FMAX and other sources to generate an Excel spreadsheet that summarizes the work performed by Plant over the past 2 years. The resulting Excel file is 67 MB in size and contains 278,000 rows and 64 columns. This data includes Work Orders, Buildings, Shops, Funding, FCNI, Structure Age, and many other pieces of data that should be helpful in analyzing what the shops do on campus.

By using Data Pivot tables, this information can be easily “sliced & diced” to help answer various questions related to the work performed. In the coming weeks the management team will be analyzing the data with the purpose of looking for better and more efficient ways to provide our services.
Building Services has launched a new cleaning system called OS1 (Operating System 1). This program upgrades the current zone cleaning method, where each custodian does all the cleaning within a given area, to a task team method where custodians work in teams of 2-6, each specializing in specific tasks. In addition, the OS1 program includes new, more efficient, ergonomically correct tools such as the backpack vacuum and lean chemical distribution (only 3 products, 2 of them green certified). The OS1 initiative also provides a systematic and simple program for cleaning which focuses on daily detail cleaning. This reduces the need for expensive project work. The philosophy is to clean for health first, then aesthetics. Custodians will be trained to understand their role as health care workers. They will receive scheduled recognition and rewards as they advance through the program. Historically, this operating system has shown substantial economic and quality improvements over the traditional zone method.

The first facility, Dana Hall, was converted in May, 2009. The initiative will expand to other central campus buildings during the next phase in August, 2009. The OS1 initiative is expected to take three years to convert the 200 plus facilities maintained by Building Services.

CONSTRUCTION SERVICES

Eight New Management Initiatives for Construction Services

Paul Guttman
Construction Services

In 2008 Construction Services underwent an extensive examination by U-M Internal Audits. The audit report included the development of eight management initiatives for the department.

Significant progress has been made on these eight initiatives. We implemented a new policy requiring the preparation of an estimate for all projects with a value greater than $15,000. In February we initiated a survey which we send to 50% of the customers who have had estimates performed. To date 29 survey responses have been received. Our department developed a Job Cost Analysis (JCA) report to provide managers and estimators with a tool for understanding the financial side of individual completed projects. As more JCA’s are reported, we will be able to determine trends via the data in order to utilize this information to improve department processes. Lastly, our department is now using WinEstimator to estimate projects. This tool determines a unit cost from the Mean’s data base which is adjusted for our campus facilities.

Construction Services is working towards meeting all of the requirements of the audit by the end of 2009. We will then begin to utilize the FMAX data to help us to determine the next organizational initiatives for our department.
The CPP mission is: Powering the Ideas of the Future

The constant demand for both quality and reliable energy services is accompanied with increasing pressure to keep costs under control. Therefore, one of the strategic initiatives of Plant Operations is to conduct an internal review of the Central Power Plant (CPP) to determine its management, operational and financial effectiveness. The CPP Management Study is a proactive response to the inevitable questions: Are there alternative means of operations and maintenance of the plant and/or alternative means for the provision of energy services?

The purpose of the CPP Management Study is to develop a decision making framework for identifying and evaluating a complete range of economic value criteria in order to determine the best management options for the Central Power Plant to sustain its mission. The study will assess and document existing conditions, identify customer needs and values, determine decision making criteria, and evaluate management options. It will also include a comprehensive review of both the historical and projected cost of operations along with benchmarking against other peer institutions. A decision criteria matrix will be developed from this study. This matrix will then be used to develop management and operating options along with an analysis of the specific issues associated with each option. The option that best meets the mission of the Central Power Plant will be chosen and implemented. The Central Power Plant is approaching 100 years of continuous operations. The energy services provided by the Central Power Plant are a critical function to the University of Michigan.