

Labor Utilization Studies Explained

What?

Labor Utilization Studies, sometimes referred to as “wrench-time studies” are designed to collect information about how workers are spending their on-the-job time. Outage craft performance is the most common measurement, but the same methodology can be used to measure routine maintenance and other labor. The methodology is based on standard Industrial Engineering principles and statistical computations that have been in use for many years. The proprietary Synterprise methodology also includes a statistically-valid randomized data collection process.

How?

Synterprise data collectors observe worker activities and note whether the worker’s activity is “direct work” (turning a wrench), “indirect work” (preparing to turn a wrench) or something else. The methodology does not focus on any individual person. The focus is on craft performance, job packages and the Outage as a whole.

Why?

Companies often wonder whether they are getting the performance they are paying for. They are especially concerned about how one Outage compares to another – both at the same plant and across the entire fleet. Likewise, management needs a performance baseline upon which to measure improvement.

Is it accurate?

A typical Outage requires several thousand observations of worker activities. The methodology requires enough observations to generate results that are statistically valid to a 95% or higher accuracy. Results are statistically valid, verifiable, repeatable and consistent enough to allow comparisons between long duration Outages and short duration Outages at different plants. Data collectors don’t analyze the data so they are unlikely to be influenced by day-to-day performance variability or preliminary data. Data is always validated by a second person and typically analyzed by a third person. The numbers tell the story.

What does it mean to me?

The studies begin with the assumption that every worker wants to accomplish tasks efficiently and with professionalism. The baseline data generated by the studies can be used to measure improvement. This in turn allows companies to offer contractors incentives based on performance. The studies also highlight barriers to better performance – low capacity elevators, poorly located break areas, ineffective job planning, poor coordination/communication, etc. Getting rid of these barriers makes getting the work done easier and safer for everyone.

Learn more at <http://www.synterprise.com/scope.htm>
