

5 WARNING SIGNS OF ASSET MISMANAGEMENT

by Apex Supply Chain Technologies®

Running out of critical assets can literally shut down operations. Look out for these five asset mismanagement warning signs to ensure this doesn't happen to your business.

1



Spending Time Off-Task

Workers typically check assets in or out during shift change. Or they might need special tools or supplies during their shift. If assets are managed manually, this all translates into workers spending more time off task. In fact, in a year, this can add up to several days of off-task time.

2



Searching for Missing Assets

The labour cost incurred when workers search for missing, misplaced or out of order equipment is significant. To calculate this cost: take minutes spent locating assets, multiply by the number of these searches in a year and multiply by the average hourly wage of the position.

3



Delaying Jobs & Services

If one worker can't do their job because the correct equipment isn't available, the entire production process can be impacted. In a warehouse, delays translate into late orders, higher costs, rush deliveries and unhappy customers.

4



Increasing Labour Costs & Overtime

When jobs are not completed according to schedule, businesses usually see a sharp spike in overtime expenses. This can result in the hiring of temporary staff, who often require a higher wage level as well as additional safety and job training. All of the above adds cost to delayed jobs.

5



Increasing Unplanned Costs

A shift in production times impacts shipping costs, particularly when there is a deadline to meet. When additional, unplanned costs are mounting, a knee-jerk response is to look for a new supplier. But the real cause is often within your own operation.

To find out how automating your asset management programme can reduce replacement costs by as much as 40 per cent and increase worker accountability by as much as 45 per cent, contact Apex Supply Chain Technologies Ltd via email info.eu@apexsupplychain.com or via phone at **0800.840.4766**.