

Asset Management

Changing the way organisations operate





My Background

- Over 20 years across Europe, North America, Asia and Australasia
- Client, Consultant and now Contractor
- Development Banks, Investment Banks
- PPP, outsourcing and privatisation last 10+ years






Overview of Presentation

- Primary issues affecting organisations / Networks
- Overview of ISO 55001
- How AM is structured within LCPL
- Where is it heading
- Issues that need to be addressed to “make it happen”



What are the Primary areas of Concern for Infrastructure ?





Infrastructure Challenges

Primary issues

- Increasing user demand
- Reduced Public and tightened private finance
- Aging asset base (including staff)
- Maintaining / transferring public / private sector knowledge base
- Standards
- Governance and regulation not consistent



Asset Management generally weaker in Infrastructure than other industries



Infrastructure Challenges

Primary Road Network issues

- Capacity not optimized
- Cost inefficiencies
- Customer Satisfaction
- High environmental and social costs
- Struggling budgets
- Inconsistent information / knowledge

Infrastructure Challenges

How can we address these ?

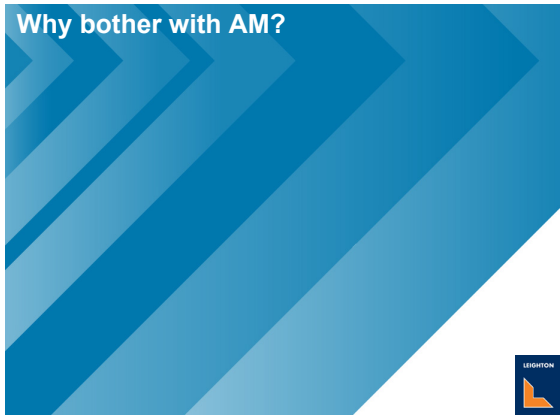



- Internationally accepted standards
- International technical knowledge base
- Standardised structure / frameworks:
 - Project Feasibility
 - Project Preparation
 - Project Implementation
 - Project O&M

This can all be structured and integrated through an asset management "system"




Why bother with AM?

Why bother?

The obvious benefits

- Best Practice
- True lifecycle management
- Accountability from shop floor to top floor
- Improved profitability and return on capex investment
- Regulatory, legal and contractual compliance




Why bother?

The management systems world is changing

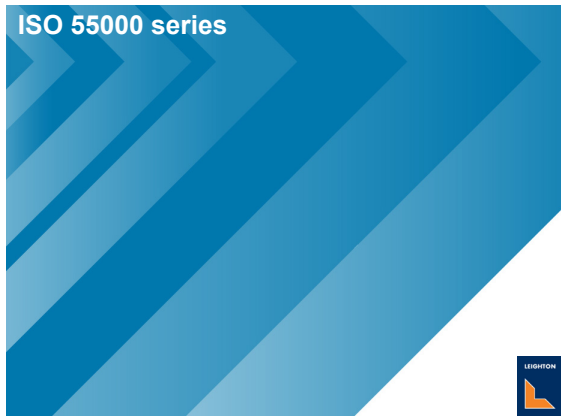

- April 2012
 - ISO/DGuide 83 - a common "Management System" standard
- December 2012
 - ISO/DIS 55000 Asset management
 - ISO/DIS 55001
 - ISO/DIS 55002
- January 2014
 - ISO 55000/1/2 release

Where does this leave other management system standards?

- **ISO 9001** Quality
- **ISO 18001** OH&S
- **ISO 14001** Environment etc



ISO 55000 series

ISO 55001 Definitions


What is an Asset ?
something that has potential value to an organization

What is Asset Management?
Coordinated activities of an organisation to realise value from assets

What is an Asset Management System ?
set of interrelated or interacting elements of an organization to establish policies and objectives, and processes to achieve those objectives

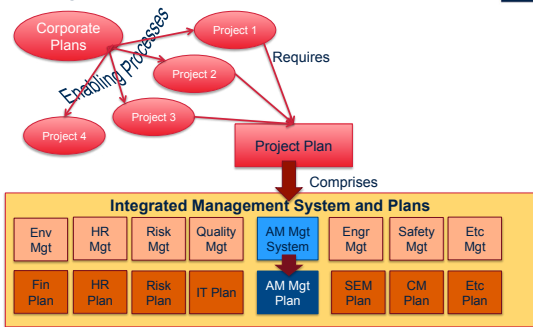
Seven Elements of an Asset Management System

1. Organisational Context
2. Leadership
3. Planning
4. Support
5. Operation
6. Performance Evaluation
7. Improvement



Project plans lead the way

Defining the what, where and how?



Comprises

Env Mgt	HR Mgt	Risk Mgt	Quality Mgt	AM Mgt System	Engr Mgt	Safety Mgt	Etc Mgt
Fin Plan	HR Plan	Risk Plan	IT Plan	AM Mgt Plan	SEM Plan	CM Plan	Etc Plan

Where is Asset Management Going in Australia and Globally ?




Where is it Heading ?

Where is Asset Management going globally?

- There are presently many views on AM around the world
- BSI PAS 55-1&2 specification has been a useful vehicle for some
- ISO/DIS 55000/1/2 **Asset Management System** released Dec 12
- In January 2014 the ISO 55000&1&2 shall be published by ISO
- PAS 55-1 and 2 shall be withdrawn by BSI
- Key thought leaders in developing the ISO55000 suite are
 - Institute of Asset Management (UK)
 - Asset Management Council (AUS)
- Each brought different knowledge to the table
- Convergence of that knowledge has begun

How will this change the way we operate ?



The future

How do we make this happen ?:

- Commitment to the holistic approach, operating philosophy
- Outsourcing is integrated into operating models
- Procurement models adopt maturity approach
- Regulators enforce the standard
- Government specifies as per ISO 9001
- Maturity based assessments (eliminate “smoke and mirrors”)



How has this changed the way we operate ?



- Standardised processes
- Centralised approach
- Improved Governance
- Integrated approach to management systems
- Centralised function for AM
- Working with Clients in an "integrated manner"

