

The Value of Asset Management to an Organization

Template for Case Studies

First Edition

English Version



GFMAM

Global Forum on Maintenance
& Asset Management

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The Global Forum on Maintenance and Asset Management

The Global Forum on Maintenance and Asset Management (GFMAM) has been established with the aim of sharing collaboratively advancements, knowledge and standards in Maintenance and Asset Management.

The members of GFMAM (at the time of issue of this document) are:

- Asset Management Council (AMCouncil), Australia
- Associação Brasileira de Manutenção e Gestão de Ativos (ABRAMAN), Brazil
- European Federation of National Maintenance Societies (EFNMS), Europe
- French Institute of Asset Management and Infrastructures (IFRAMI), France
- Gulf Society of Maintenance and Reliability (GSMR), Arabian Gulf Region
- Institute of Asset Management (IAM), UK
- Japan Institute of Plant Maintenance (JIPM), Japan
- Plant Engineering and Maintenance Association of Canada (PEMAC), Canada
- The Society for Maintenance and Reliability Professionals (SMRP), USA
- The Southern African Asset Management Association (SAAMA), South Africa

The enduring objectives of the GFMAM are:

- 1) To bring together, promote and strengthen the maintenance and asset management community worldwide
- 2) To support the establishment and development of associations or institutions whose aims are maintenance and asset management focused
- 3) To facilitate the exchange and alignment of maintenance and asset management knowledge and practices
- 4) To raise the credibility of member organizations by raising the profile of the Global Forum

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1 Purpose and background

The purpose of this document is to provide a template for case studies to illustrate the actual realization of value for organizations who have accomplished asset management implementations.

The template for case studies is an integral part of GFMAM project 'The Value of Asset Management to the Organization'. Information on background, project scope, definitions and methodology refers to this document.

2 References

The following are references to work that has been undertaken by members of GFMAM on the value of Asset Management

- The Value of Asset Management to an Organization
- Asset Management Maturity
- The Asset Management Landscape

The following are some more general references to different approaches to defining and assessing value:

ISO 55000	Asset management -- Overview, principles and terminology
ISO 55001	Management systems -- Requirements
ISO 55002	Asset management -- Management systems -- Guidelines for the application of ISO 55001
AS 4183	Value Management
CEN EN 12973	Value Management
CEN EN 1325	Value Management - Vocabulary - Terms and definitions
SAVE International.....	SAVE International, Value Standard and Body of Knowledge

3 Template for Case Studies

< Guidance for using the template is included in blue-coloured text in brackets and is intended to be deleted when using the template >

Case Study on Value Creation from Asset Management for (Organization and Project)

< Insert Organization and Project in title >

The organizational context

< Insert a description of the organizational context to enable the reader to understand the situation under which the asset management project was initiated >

What were the key *Organizational objectives* of the project for the company?

- 1.
- 2.
- 3.

< Insert a limited number (e.g. 2 to 4) key organizational objectives, which were intended and/or expected to be affected by the asset management project. Organizations typically have many objectives and the intent here is not to list them all but to identify the most important in the given context >

What were the challenges in respect of *Performance, Cost and Risk*?

Challenges to organization prior to asset management project			
Objective	Performance	Cost	Risk

< For each of the key objectives identified above, describe the challenges the organization is facing which motivate the asset management decision. The challenges should be described in respect of the performance, the cost and the risk for each objective >

Scope of asset management project

Net book value of assets addressed by project (defined as property plant and equipment (PPE) from financial statement of assets within the scope of the asset management system)	< Insert amount and currency (e.g. XXX Million EUR) >	
Number of people (internal employees and external contractors) who were affected by the asset management project or changes caused by the asset management project	< Insert number of affected people >	
Number of work processes that were affected by the asset management project. Affected work processes include both administrative and operational work and the number of affected processes is at least the number of new or modified Standard Operating Procedures (SOP's)	< Insert number of affected processes >	
Project resources as equivalent full time employees for all internal and external resources allocated to the project, times the duration of engagement	< Insert number of resources and scale (e.g. YYY man-years) >	
Timespan from when the asset management project was started to the point in time for which the results of the case study was evaluated	< Insert start and end of project (e.g. May 2014 – January 2016) >	
Standards and certification. List of standards that were used as guidance for the asset management project and an indication if the asset management project involved certification to any of these standards by an accredited conformity assessment body	Standard	Certified
	< e.g. PAS 55 or ISO 55001 >	< yes / no >

Scope of project in relation to The Asset Management Landscapes 39 subjects

< Mark the impact of the asset management project to each of the 39 subjects of asset management from The Asset Management Landscape. Each of the 39 subjects should be marked by a “X” in one of the boxes of either major, minor or no impact. Subjects which are only indirectly addressed by the project should be marked as no impact. Generally, major impact is used when new procedures, plans or models are introduced or redesigned whereas minor impact is used when existing procedures, plans or models are updated. >

Project scope in relation to the 39 subjects of The Asset Management Landscape					
No	Subject of AM Landscape	Major impact	Minor impact	No impact	Description
1	Asset Management Policy	<set X>	<set X>	<set X>	< Short description of how each element is addressed by the project where relevant >
2	Asset Management Strategy & Objectives				
3	Demand Analysis				
4	Strategic Planning				
5	Asset Management Planning				
6	Capital Investment Decision-Making				
7	Operations & Maintenance Decision-Making				
8	Lifecycle Value Realisation				

9	Resourcing Strategy				
10	Shutdown & Outage Strategy				
11	Technical Standards & Legislation				
12	Asset Creation & Acquisition				
13	Systems Engineering				
14	Configuration Management				
15	Maintenance Delivery				
16	Reliability Engineering				
17	Asset Operations				
18	Resource Management				
19	Shutdown & Outage Management				
20	Fault & Incident Response				
21	Asset Decommissioning and Disposal				
22	Asset Information Strategy				
23	Asset Information Standards				
24	Asset Information Systems				
25	Data & Information Management				
26	Procurement & Supply Chain Management				
27	Asset Management Leadership				
28	Organizational Structure				
29	Organizational Culture				
30	Competence Management				
31	Risk Assessment and Management				
32	Contingency Planning & Resilience Analysis				
33	Sustainable Development				
34	Management of Change				
35	Assets Performance & Health Monitoring				
36	Asset Management System Monitoring				
37	Management Review, Audit & Assurance				
38	Asset Costing & Valuation				
39	Stakeholder Engagement				

Outline of asset management project in relation to ISO 55001 requirements

< Mark the focus of the asset management project to each of the primary requirements in ISO 55001. Each of the requirements should be marked by a “X” in one of the boxes of either major, minor or no focus. Requirements which are only indirectly addressed by the project should be marked as no focus. Generally, major focus is used when new procedures, plans or models are implemented, whereas minor focus is used when changes to existing procedures, plans or models are implemented. >

Project outline in relation to the requirements in ISO 55001					
Ch.	Requirement	Major focus	Minor focus	No focus	Description
4.1	Understanding the organization and its context	<set X>	<set X>	<set X>	< Short description of how each requirement is addressed by the project where relevant >
4.2	Understanding the needs and expectations of stakeholders				
4.3	Determining the scope of the asset management system				
4.4	Asset management system				
5.1	Leadership and commitment				
5.2	Policy				
5.3	Organizational roles, responsibilities and authorities				
6.1	Actions to address risks and opportunities for the asset management system				
6.2	Asset management objectives and planning to achieve them				
7.1	Resources				
7.2	Competence				
7.3	Awareness				
7.4	Communication				
7.5	Information requirements				
7.6	Documented information				
8.1	Operational planning and control				
8.2	Management of change				
8.3	Outsourcing				
9.1	Monitoring, measurement, analysis and evaluation				
9.2	Internal audit				
9.3	Management review				
10.1	Nonconformity and corrective action				
10.2	Preventive action				
10.3	Continual improvement				

Outline of asset management project

< Describe the outline of the asset management project. What was the approach of the asset management project? How was it organised and manned with internal and external resources? How were the management and employees engaged in the project? >

What is the expected effect to *Value* of the asset management project?

Expected value of the asset management project				
Objective	Time	Performance	Cost	Risk
	Short-term			
	Long-term			
	Short-term			
	Long-term			
	Short-term			
	Long-term			

< Describe the expected effect to value from the asset management project when it was approved to proceed. Value is described as the expected effect to performance, cost and risk in the short-term and long-term respectively. Performance, cost and risk can be descriptive but should also be expressed in measures which qualify for SMART (Specific, Measurable, Ambitious, Realistic and Time bound). The timespan for short-term and long-term must be clearly defined, and the time perspective can be further refined where useful (e.g. categories like 0-2 years, 3-5 years, 6-10 years, more than 10 years) >

Which other *Opportunities* did the company consider?

- 1.
- 2.

< If the company was considering other opportunities to the initiated asset management project, insert a brief description of these opportunities the organization and the rationale for decision on the given asset management project >

What is the resulting *Value* from the implementation of the asset management project?

Actual value from the asset management project			
Objective	Time	Performance	Cost
	Short-term		
	Long-term		
	Short-term		
	Long-term		
	Short-term		
	Long-term		

< In retrospect after the asset management project has been implemented in the organization, describe the actual resulting value to the same level of detail as the assessment of expected value prior to the decision to proceed. Risk is not of relevance here as there is no effect from uncertainty to objectives in retrospect >

What was the learnings from the implementation of the asset management project?

< Discuss the learnings from the implementation of the asset management project. Learnings should address both the results, the process and the methodologies applied. How was the actual value creation compared to the expected? What was the key reason for differences in expected and actual outcome? Were all relevant objectives identified and addressed? What would the organization have done different seen in retrospect? >

Conclusion

< Insert the conclusion from the learnings of the implementation >

