

## ASSET MANAGEMENT AWARDS

*Rewarding continuous asset management improvement.*



## 2010 APPLICANTS HANDBOOK

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*The Asset Management Council is a Technical Society of Engineers Australia, the national peak body for all engineering disciplines. Operating as a non profit organisation, the Asset Management Council is committed to the promotion and education of optimal asset management practices in industrial, commercial, academic and government organisations.*

# Align, focus and motivate.



**Enter the Asset Management Awards and unite people by highlighting their contributions to the organisation's asset reliability and business revenue.**

The Awards also provide the ideal opportunity to align, focus and motivate people to want to apply the one asset management system, and want to continuously improve the system year upon year.

The best results for companies are achieved by entering the Awards early in an organisation's asset management journey. This provides organisations with an accurate baseline to measure improvement and maturity year by year.

Entering the Awards regularly also allows people to celebrate their ongoing achievements by measuring each Awards entry as a 'milestone' along the journey towards reaching a mature business focused asset management system.


Each organisation that enters the Asset Management Awards has the option of keeping their report confidential. However, all companies who enter the Awards have the opportunity to have their achievements publicly recognised at the prestigious Asset Management Awards Ceremony.

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## Overview

The Asset Management Awards (AMA) are presented by the Asset Management Council at an annual ceremony, as part of its annual ICOMS asset management conference. Each year, the top scoring Australian AMA applicant will be nominated by the Asset Management Council to be a finalist at the Australian Engineering Excellence Awards, hosted by Engineers Australia.

The AMA are based upon the Asset Management Council's Asset Management Body of Knowledge,  – refer to [www.amcouncil.com.au/asset-management-body-of-knowledge.html](http://www.amcouncil.com.au/asset-management-body-of-knowledge.html) for further details.

### The Analysis Approach

The assessment approach used within the AMA forms an organisational learning cycle through which a company can examine its asset management performance against each of the AMA Award Criteria, made up of:

- ✓ Approach - Identifies an organisation's asset management thinking and planning and the strategies, processes and infrastructure designed to support the management of its physical assets.
- ✓ Deployment - Identifies those planned implementation activities supporting the management of the company's physical assets.
- ✓ Results - The performance indicators (and process by which they are monitored and evaluated) that measure the effectiveness of an Approach and its Deployment.
- ✓ Improvement - The process by which Approach and Deployment are reviewed and adapted to achieve improved results.

The AMA Analysis Approach provides the assessment methodology that underpins assessment against the AMA Criteria. Its primary focus is to ensure that success in asset management correlates to a planned, sustainable cycle of improvement.

### Grades of Achievement

There are four AMA levels of achievement:

Grade 4	Bronze
Grade 3	Silver
Grade 2	Gold
Grade 1	Platinum

### What each submission will receive

- ✓ An independent on-site inspection report from our team of qualified asset management practitioners of your asset management practices and practitioners
- ✓ A written confidential review
- ✓ A graded award of either Bronze, Silver, Gold or Platinum dependant on achievement level
- ✓ The optional public promotion of the achievements of each entry via:
  - The annual AMA Ceremony
  - Announcements in the Australian Engineers Magazine
  - Inclusion in the Asset Management Council Newsletter, sent to over 1400 individuals
  - Recognition on the Asset Management Council Website

### Who can apply?

Asset Owners – both large and small – any company responsible for physical assets and their revenue, reliability and safety outcomes, as well as Service Providers who apply asset management systems on behalf of the asset owner. Joint submissions are encouraged.

## Submission Requirements

AMA submissions must address the following Parts:

### Part 1: Executive Summary

Introduction to the application

Core asset management capabilities

Enterprise asset management framework

Key business outcomes

### Part 2: Press Release

A draft press release of about 200 words describing the application of asset management within the enterprise and the outcomes achieved

### Part 3: Background Information

Subject and scope of application

General enterprise details including:

- Enterprise name
- Contact for award purposes
- Products and services, type and quantity
- Asset management organisation structure and size

Background information relevant to this application including:

- Asset management context / history
- Asset management processes
- Current and future business challenges
- Enterprise standards policies and information sources relevant to this application
- Acronyms and definitions



## **Part 4: AMA Award Criteria**

Submissions must address each of the seven (7) criteria:

- 1. Management and Leadership**
- 2. Asset Management Culture**
- 3. Asset Acquisition**
- 4. Asset Management Plan Development**
- 5. Asset Management Plan Implementation**
- 6. Performance evaluation**
- 7. Analysis and improvement**

## 4: Award Criteria Continued.

### 1. Management and Leadership

**Definition:** *The extent to which management understands and leads the asset management function in the enterprise.*

*Good asset management organisations have effective and visible systems and processes of leadership in place at all levels. Management structures promote leadership and the allocation of effective accountabilities and responsibilities.*

As a minimum, the following questions shall be addressed:

- What are the principles and policies by which your physical assets are planned, acquired, used, maintained, updated and disposed?
- What is the purpose of these principles and policies?
- How are the asset management performance goals identified, developed and demonstrably linked to business needs, including:  
Company and legislative Personnel Safety requirements;  
Environmental compliance requirements; and  
Short and long term Production/Service Delivery/Operating plans;  
Cost.
- How are the asset management performance goals assured, reviewed and improved?
- How is the overall improvement of the management of the assets identified, managed and achieved?
- How are policy needs & changes identified?
- How is policy deployed?

### 2. Management Culture

**Definition:** *The extent to which people at all levels in the organisation have the knowledge, skills and commitment to achieve the documented asset management goals of the enterprise.*

*Good asset management organisations develop cultures, support behaviors and practices that are consistent with their values to achieve their business objectives. These practices help them to remain focused on the future and give meaning to the people who work in the organisations and to stakeholders.*

As a minimum, the following questions shall be addressed:

- How are the asset management performance goals deployed at all levels, including:  
Short and long term Production/Service Delivery/Operating plans;  
Company and legislative Personnel Safety requirements;  
Environmental compliance requirements; and  
Cost and profit.
- Are these performance goals evident to all involved staff and reflected in the policies and procedures?
- Are the knowledge and skills necessary for achieving asset management performance goals known by the enterprise?
- Is there a plan for the provision of asset management knowledge and skills?
- Are the roles and responsibilities for those involved in asset management functions defined?
- How is performance of individuals and groups recognised and supported?

- What is the type of the culture within the organisation, for example:
  - Pathological
  - Bureaucratic
  - Generative
  - Charismatic
  - Learning oriented

### 3. Capability Acquisition

**Definition:** *The extent to which consideration is given to requirements for achieving capability during the asset life cycle.*

*Good asset management organisations use systems and processes to plan for sustainable success, what the asset acquisition management strategies are and how to align the acquisition of its physical assets to the organisation's core purpose.*

As a minimum, the following questions shall be addressed:

- How are the operational and performance requirements (specification) of new and modified assets identified, documented and related to the business needs of the enterprise?
- How are the specification, acquisition, and transition of new and modified assets carried out to achieve required capability at minimum "life cycle" cost?
- How are the needed integrated supporting capabilities of spares, staff and skills, training, manuals, facilities, support equipment, technical information, computerized management systems, logistics identified, verified and validated during any acquisition process?
- How is the capability of new and/or modified business assets verified and validated prior to operation?
- How are the integrated support needs identified, acquired, accepted, verified and validated before the new/updated asset is put into service?

### 4. Asset Management Plan Development

**Definition:** *The extent to which asset management plans assure achievement of enterprise business needs.*

*Good asset management organisations develop systems and processes to turn strategic decisions and imperatives into a set of integrated actionable plans. They then apply those plans to achieving their goals and increasing their future value.*

As a minimum, the following questions shall be addressed:

- What are the asset management performance goals in quantified terms and how do they integrate with business goals, namely:
  - Short and long term Production/Service Delivery/Operating plans;
  - Company and legislative Personnel Safety requirements;
  - Environmental compliance requirements; and
  - Cost.
- What asset management plans are developed and documented, namely:
  - Operations Plan
  - Asset Investment/Acquisition Plan
  - Training Plan
  - Maintenance Plan
  - Financial Plan
  - Asset Disposal Plan

- Is the scope and detail of the documented asset management plans sufficient to assure the delivery of the specified asset management performance goals?
- How is the level of assurance provided by the documented asset management plans specified, measured and managed?
- What is the nature and scope of the asset management planning process which identifies the details contained in each of the documented asset management plans?
- What analysis tools are used to assure that asset plans represent an optimal solution?

## 5. Asset Management Plan Implementation

**Definition:** *The extent to which the asset management activities and procedures achieves the business objectives of the enterprise.*

*Good asset management organisations develop Project Plans that tell all the stakeholders what will be done and how the project/operating entity will be managed, while specifying the management procedures and controls including:*

*Detailed project plans;*

*Scope and Assumptions;*

*Resource schedules;*

*Delivery schedules;*

*Quality procedures;*

*Reporting procedures;*

*Risk management planning; and*

*Project budgets.*

*Consequently, the project plan should be baselined and managed under change control. The current version should be an active, living document to guide project implementation.*

As a minimum, the following questions shall be addressed:

- How are the documented asset management plans communicated?
- How is planning and scheduling for the documented asset management plans carried out, namely for the:
  - Operations Plan
  - Asset Investment/Acquisition Plan
  - Training Plan
  - Maintenance Plan
  - Financial Plan
  - Disposal Plan
- How is each plan managed and implemented?
- How are the technical, operating and other support data needs identified, acquired, accepted, verified and validated before each plan is implemented?
- How are the needed resources for each plan identified, acquired, accepted, verified and validated before and during implementation?

## 6. Performance Measurement

**Definition:** *The provision of measures that provide an objective basis for all the asset management activities of the business.*

*Good asset management organisations use measures and monitoring methods to confirm that the performance of the physical assets will meet expectations. The organisation uses both quantitative and qualitative measures to determine the level of assurance achieved.*

As a minimum, the following questions shall be addressed:

- How is the achievement of the following asset management plans identified and measured:
  - Operations Plan
  - Asset Investment/Acquisition Plan
  - Training Plan
  - Maintenance Plan
  - Financial Plan
  - Disposal Plan
- What are the measures the enterprise uses to assess the performance of its assets, including the level of assurance?
- Why are the measures selected?
- How are the values of the measures determined?
- How are the measures logically linked to the asset management plans?
- How is the level of assurance provided by the asset management plans measured?

## 7. Analysis and Improvement

**Definition:** *The use of analysis to determine and implement needed changes to the asset management plans.*

*Good asset management organisations use structured analytical methods to both improve their processes/plans as well as improve the effectiveness and efficiency of its physical assets to achieve efficiency and effectiveness for all stakeholders.*

As a minimum, the following questions shall be addressed:

- What change management processes are in place to support the implementation of the asset management plan?
- What change management processes are in place to support the improvement of asset management policy and processes?
- What improvement management processes & techniques are in place for the following plans:
  - Operations Plan
  - Asset Investment/Acquisition Plan
  - Training Plan
  - Maintenance Plan
  - Financial Plan
- Are root causes of issues regularly and systematically identified and dealt with?
- What analytical techniques are available and applied?

## Submission Guidelines

The evaluation benchmark for judging maintenance engineering practices is the Asset Management Council 'Asset Management Capability Assurance and Technologies Models' and supporting body of knowledge.

### References

**What is Asset Management?** This document is prepared by the AM Council Body of Knowledge Team, and is presented to assist in furthering the awareness of and development in asset management and maintenance engineering. You may download, display, print and copy any material on the AM Council site for your personal use or for non-commercial use within your organisation. You must not copy, adapt, publish, distribute or commercialise any material contained on this site without acknowledging the source.

Asset Management Council Asset Management Body of Knowledge,  – refer to [www.amcouncil.com.au/asset-management-body-of-knowledge.html](http://www.amcouncil.com.au/asset-management-body-of-knowledge.html)

### Guide for preparing Submissions

Applicants should address each of the submission requirements.

Submissions should be typed on A4 sheets.

Applicants are encouraged to be brief and succinct in their responses. The maximum response to each part of the submission is:

- Part 1 Two (2) pages
- Part 2 one (1) page
- Part 3 Five (5) pages
- Part 4 Each of the seven (7) criteria should not exceed three (3) pages.

## Frequently Asked Questions

### When is the deadline for submitting to the AMA?

Intention to submit due by **Friday 26 February 2010**.  
Final submissions due by **Wednesday 31 March 2010**.

### Who can I contact for more information about the AMA?

Kate Robertson, Asset Management Awards and Communications Coordinator, by phone on 03 9830 4899 (Wednesday-Thursday), or via email at [kate.robertson@amcouncil.com.au](mailto:kate.robertson@amcouncil.com.au).

### Who can I contact for more information about the AMA Award Criteria?

Geoff Cannon (AMA Committee Chairman) Email: [Geoff.Cannon@amcouncil.com.au](mailto:Geoff.Cannon@amcouncil.com.au)  
Peter Kohler (Asset Management Council Technical Committees Chairman) Email: [Peter.Kohler@amcouncil.com.au](mailto:Peter.Kohler@amcouncil.com.au)

### What is the AMA history?

In 1996, the Asset Management Council, a Technical Society of Engineers, Australia, established the Awards to provide organisations with an independent indicator to measure their asset management practices.

### Who are the previous AMA recipients?

- Aurora Energy (Tas)
- Boeing – Hawker de Havilland Skilled
- City Rail (NSW)
- Clough AMEC Joint Venture
- Defence Materiel Organisation
- Land Systems Division
- Downer Engineering Power/ANZ Data Centre Infrastructure
- Edison Mission Energy (Vic)
- EnergyAustralia (NSW)
- Hazelwood Power
- HMAS ANZAC
- Klinge & Co Pty Ltd
- Kvaerner Facilities Management
- Monsanto Limited
- MTR Corporation (Hong Kong)
- One Steel (NSW)
- Powercor (Australia)
- Powercor (Vic)
- Rail Services Australia (Hunter Valley & North West)
- RailCorp Infrastructure Division - Illawarra Region
- Royal Australian Navy FFG Capability Element & Defence Materiel Organisation FFG System Programme Office
- Snowy Mountains Hydro-Electric Authority
- Transalta Energy Ltd
- Transfield - Power Generation Services
- Transfield - Maintenance and NSW RTA
- Transfield Services (Australia) Infrastructure Roads
- Transfield Worley Power Services
- Collie Power Station
- TRANSGRID
- United Group Rail
- Woodside Energy Limited

### Who are the Asset Management Council Members and Patron?

For the full list of the Asset Management Council Members and Patron details, go to [www.amcouncil.com.au/business-directory](http://www.amcouncil.com.au/business-directory).

## Intention to Submit to the AMA Form

### Organisation Profile

Organisation:

ABN:

Address:

Telephone:

Facsimile:

Web site:

### Candidate Profile

Candidate/Unit:

Contact Person:

Position Title:

Contact Address:

Email:

Telephone:

Mobile:

Signature

Date

### Asset Management Council Notes

Application Fee:

\$5060.00 (GST inclusive)

Fee Inclusions

1 full registration to 2010 ICOMS, 2 guest tickets to the Awards Ceremony

Fee Exclusions

Overseas and regional sites may require an additional cost recovery for travel. Please request information.

Award Presentation:

The Award Ceremony is held at the Asset Management Council Gala Dinner, conducted in conjunction with ICOMS Asset Management Conference

Return to Kate Robertson, Awards and Communications Coordinator, Asset Management Council  
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