

Asset management made simple. No bridge too far.


John de Croon

2 March 2012

In 1976 around the Dutch town called 'Deventer' parts of the movie 'Bridge too far' were shot. The Deventer 'Wilhelmina Bridge' served as a stand in for the bridge of Arnhem. We lived in a village near Deventer. Next door of my parents' house temporarily lived an employee who worked for (or even in) movie. He only spoke English. I do not know what his role was, because I was 7 years old and I did not speak English. I saw him every day and we greeted each other cheerfully. I collected stickers (which kid did not) and asked him whether he had stickers on the movie for me. 'Morgen' (meaning tomorrow) he replied nicely. And so I asked the same question the next day. Probably 'morgen' was the only Dutch word he knew and did he mean 'good morning' instead of 'tomorrow', because at one point the man was gone (both tomorrow and good morning mean 'morgen' in spoken Dutch). I was disappointed because he had promised me stickers

In Asset Management, we also meet disappointed people every now and then. Clients who tried to take a leap, but did not succeed. In a previous column on the involvement of stakeholders, we showed a maturity model. For completeness, you will find it again below.

	1st phase	2nd phase	3rd phase	4th phase	5th phase
	< 1950	1950 - 1980	1980 - 1990	1990 - 2005	2005 - present
Object	Technical object	Installation	Function of business	Business values Plant integrity	Business values Plant integrity Sustainability
Organisation	Development Technical service department	Optimization Technical service: functional split	Co-operation Technical service, Production, Engineering	Business as whole: Asset Owner, Asset Manager, Service Provider	Involve external stakeholders
Approach life cycle	Failure based maintenance (fix & fail)	Use based maintenance; task oriented	Condition based maintenance. RCM/FMECA / HACCP, TPM, First life cycle approach	Value based maintenance. Technical System Management. Asset Management Control. Risk assessment business values	Value based maintenance. Categorise risks in risk management. Standardisation
Business values	Costs	Efficiency Availability Effectivity	Reliability, product quality, safety, health, environment	Reliability, product quality, safety, health, environment, image	Integration sustainability in business values. Monetarise risks



The diagram shows four horizontal bars representing the evolution of asset management practices over time:

- Fix & fail**: The earliest and narrowest bar, spanning the first two phases.
- Efficient and conscious maintenance**: A bar spanning the first three phases.
- Maintenance management and life cycle costing**: A bar spanning the first four phases.
- Asset (lifecycle) management, risk based asset management**: The longest and widest bar, spanning all five phases.

Maturity model in asset management

The periods in the figure are rough timelines within which certain trends are visible. It will be no surprise that many companies did not yet arrive in the fifth stage. Many companies face themselves currently in the second and third stage. There is nothing wrong if a company is in stage two or three. As long as the stakeholders are satisfied, there is nothing to worry about.

There are also companies, usually under pressure from stakeholders, which would like to achieve the fifth stage in one year and also want to implement PAS55. We often hear 'we want to be the best.' That's a nice ambition and also there is nothing wrong with a nice ambition. However what often goes wrong in practice, is that the management of such a company does not provide the resources (time and money) to achieve this ambition. Often the culture in the organisation is also totally inconsistent with the desired situation. And then this results in a failed implementation with associated disappointment. It therefore became a 'bridge too far'. And meanwhile we hear statements such as 'PAS55 is too complex' or 'such a risk matrix does not work here.'

That brings me back to the movie. Despite the large budget (\$ 26 million¹), there was a considerable amount of pragmatism. In our village the tanks for the movie were parked. I remember that many were constructed as armoured vehicle with trucks and tractors in it, where wood was nailed around it. The gliders were stored at the nearby Teuge airfield (also constructed of wood) and next to the bridge in Deventer temporary houses were built (partially of wood) which looked like the Arnhem villas in the 40s. The movie was a huge success. The financial benefit of the movie was approximately \$ 50 million (see the already mentioned wikipedia site). Let us now cross the bridge from the movie to our profession.

Asset management is, put quite simply, to generate the maximum value from the assets. Before we indicated that companies often want to make a too big leap in the ambition. In the creation of the movie pragmatic measures are taken (the wooden tanks, gliders and houses) as 'temporary measure'.

An important theme in asset management is the principle Less Is More. Focus on key issues often leads to more results than to do a lot with only half of it achieved. And that also goes for the implementation of asset management within an organisation. A simple process that everyone understands and better suits the culture, results in more than a complicated blueprint that makes everyone confused. So make sure that you do not take a bridge too far. The simple process can be properly supported with temporary tools such as a simple risk register or a prioritization tool for your management². These temporary tools can be implemented without too much effort and often comply to requirements of the PAS55 standard. And when your organisation is capable to take the next step, then say farewell to the temporary tools. Just as the makers of the movie did with the tanks, gliders and houses after the movie 'Bridge too far' was finished..

The only thing you then have to do, is properly manage your stakeholders. This since a movie (and asset management) will never succeed without good marketing. And a free hint from me: already print stickers (not 'morgen'). That results in happy future asset managers.

John de Croon is partner at AssetResolutions BV, a company he co-founded with Ype Wijnia. In turn, they give their vision on an aspect of asset management in a weekly column. The columns are published on the website of AssetResolutions, www.assetresolutions.nl/en/column

¹ http://nl.wikipedia.org/wiki/Een_brug_te_ver (in Dutch)

² E.g. our risk register Risk Processor <http://www.assetresolutions.nl/en/products>