



Agenda

- Asset Management in Peel
- The Context for Asset Management
- Making the Case for Asset Management
- Getting Started on the Strategy
- Pitfalls
- Hints



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Overview - Region of Peel

- Almost 1.2 million people
- A “single tier” water and wastewater service provider
- Over \$12.3B in water and wastewater assets
- Other public services:
Public Health, Long-Term Care, Police, Ambulance, Roads, Solid Waste, Housing, Homeless Support, Transhelp, Child Care



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AM @ Peel

- A goal in the Strategic Plan
- An organizational priority
- Organizational wide – all asset classes
- The AM Strategy is divided in 2 phases:



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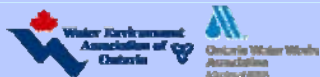
Peel's AM Strategy

- Phase 1 – Strategic Asset Planning
 - Focuses on AM at the asset class/group level
 - A common AM policy environment for the organization
 - A cross-organizational view on the state of the infrastructure
 - Prioritization across different asset classes
 - Recognition it won't be perfect at first
- Phase 2 – Tactical/Operational AM
 - Focuses on improvements at the asset level
 - Develop tools & processes to improve Capital, O&M asset planning & management
 - Enhances reporting at the organizational level



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The Context for Asset Management



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Asset Management in Context

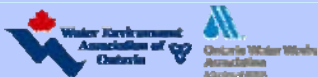
- AM is not a project – it is a process!
- Step 1 – Develop the Strategy
 - Involves many projects to develop AM processes, frameworks & technology
- Step 2 – Implement
 - Implement processes
 - Change management
 - Purchase technology & develop data bases
 - Hire staff
- Step 3 – Continuous improvement



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What is an AM Strategy?

- Integration of frameworks & processes into a cohesive organizational business practice
- Strategic Planning
 - Vision/objectives
 - Policies
 - Levels of service (customer & technical)
 - Risk Management
- Life-cycle Management
 - Condition & performance evaluation/modeling
 - Optimized decision-making
 - Pro-Active Maintenance
- Technology
 - Architecture
 - Databases
 - Applications/tools
- Data
 - Asset hierarchies/registries
 - Inventory & valuation
 - Data collection and management



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AM & the Strategic Plan

- The AM strategy must focus on meeting the overall service delivery objectives
- The strategy must contribute toward a sustainable strategic plan
- Ultimately, the strategy should be a key component of the strategic plan

Sustainable Assets

=

Sustainable Services

=

Sustainable Strategic Plans



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Making the Case for Asset Management



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Making the Case

- You know what you need!
 - Risk & LOS frameworks
 - Financial & asset planning capabilities
 - Business processes
 - People resources
 - Technology & data

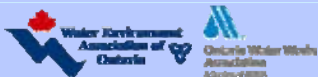


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Making the Case

- You know that you need it!
- An investment in infrastructure
 - Sustainability of infrastructure & finances
 - Promotes investment opportunities
 - Promotes & sustains growth
 - A better community
 - Health & safety
 - Environment
 - Social needs
 - Public trust & confidence in asset stewardship

AM = Business Excellence



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Making the Case

- Now, how do you get there?
- Educate
 - Started discussions with the sponsor
 - Get on the same AM page; how to move ahead; what senior managers need to know & what they need from AM
 - Developed a plan to increase awareness & understanding
 - Developed simple key messaging
 - What is AM
 - What are the benefits
 - Followed-up with formal discussions to the Executive Management Team
 - Their understanding & buy-in was crucial to move ahead



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Making the Case

- Educate (continued)
 - Met with each of the Departmental Management Teams
 - Used the meetings to get a grasp of each Department's businesses
 - Gained an understanding on the significance of AM in their businesses



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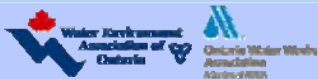
Making the Case

- Listen
 - What do management & stakeholders need from AM
 - Used this information to further develop the strategy & increase buy-in
 - Used the questions to improve the messages
 - The principles of AM don't change; however, different aspects of AM have greater significance in some organizations than others



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Getting Started on the Strategy



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Planning the Strategy

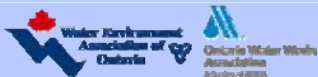
- The organizational/Divisional context for AM
 - Central to the business– eg: “hard” service delivery
 - Peripheral to the business – eg: “soft” service delivery
- Assessed the state of AM across the organization
 - Talk to senior managers & other stakeholders
 - What are the strengths
 - What needs improvement
- Explored what senior management & Council needed from AM



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Planning the Strategy

- Have time to develop the strategy
- Realistic & achievable
 - It's a big initiative – break it down
- Prioritized the projects within the Strategy
 - Do the projects build on previous outcomes?
 - Does it target the AM hotspots for the organization?
 - Where, when & how can the outcomes of other initiatives be capitalized?
 - Were there quick wins that were needed?
- Got senior management buy-in



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Getting the Right Team

- Sponsor
 - A senior manager
 - A strong advocate & communicator of AM
 - Engaged in the strategy
- AM Lead/Project Manager
 - Solid understanding of AM
 - Experience in Finance and/or Engineering
 - Understands the organizational culture
 - Best approach to introduce/develop an AM-focused culture
 - AM strengths & weaknesses
 - Knows the “go-to” people
 - Trust/credibility



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Getting the Right Team

- Stakeholder Reps/Knowledge Experts
 - Good cross-representation
 - O&M, Infrastructure Planning, Design & , Purchasing, Finance, IT, other technical services
 - Motivated
 - The “go-to” people
 - Know where/how to get the answers
 - Keep them part of the process
 - Understand the needs & benefits
 - Can advocate to their peers



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Communications

- Both formal & informal
- Key to knowledge transfer & change management
 - Seamless transition from development to implementation to operation is critical
- Tailor according to the audience
 - Public – service outcomes
 - Council – policy & outcomes
 - Senior Management – policy, outcomes, high-level processes, reporting templates/outcomes
 - staff – technology, data, practices, processes



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Communications Tactics

- Explain the strategy
 - Describe the outcomes of each stage/project
 - How do the outcomes aid AM
- Keep people in the loop & motivated
 - Let people know where you are in the strategy
 - There may be long periods where stakeholders will not be involved
- Keep the messages simple
 - Visuals help explain the concepts



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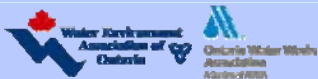
Manage Expectations

- A long-term initiative
 - Results not immediately evident
 - Several years to develop
- Prepare managers/staff to commit significant people resources/time
 - A dedicated core team to develop the strategy
 - Considerable reliance on stakeholder reps
 - Need a consistent/stable team – can't afford to move people in & out of the initiative



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Pitfalls



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Pitfalls

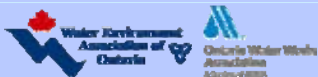
- Lack of education/communication
 - Cannot engage people if they do not see the benefits
 - Must be part of the process
- Lack of a clear vision
 - Needs to be simple & consistent
 - People will rally to something relevant & tangible
- Not understanding the AM context
 - Is it central or peripheral?
 - What is the level of AM practices/sophistication?



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Pitfalls

- Lack of senior support/buy-in
 - The strategy will fail without support & senior champions
 - If possible, minimize senior involvement to key decision points & outcomes
 - Don't overload them in minutiae
 - Don't need to be involved in technical workshops
 - Too much involvement may hamper the process
- Lack of a strong team
 - Lack of adequate people resources
 - Core Team not 100% dedicated to the initiative
 - Inconsistency in participation – changing faces
 - Involve the experts throughout the process



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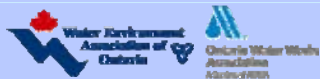
Hints



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Hints

- Take time to develop the plan
 - Make it as solid (although not perfect) as possible
 - Needs to be relevant & achievable
 - Simplicity - It does not need to address every detail
- Don't try to make the Strategy perfect
 - It will never get finished
 - Much will be learned & adjusted during implementation
 - Change in AM is a constant
- Keep the messages simple
 - Use visual techniques



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Hints

- Always bring something to the table
 - Bring a first draft to workshops – don't wait to develop something during the workshop
 - Gives people something to work with
 - Generates ideas & discussion
 - More efficient use of time
 - Everybody gets a say
- Be results oriented
 - Be efficient with people's time
 - Be prepared to present actions/recommendations
- Encourage Innovation



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Questions



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