



Asset Leadership Network

The Path Forward with Asset Leadership

The Development Path to an integrated set of National & State Infrastructure Plans



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The Asset Management Council - Vision



Enabling benefits for all
from the use of assets



The Asset Management Council

Established in 1992 as Maintenance Engineering Society of Australia (MESA)

In 2004 transformed itself into Asset Management Council (AM Council)

Member based, Industry Funded, Registered not-for-profit professional association,
Independent by Constitution (A Company Limited by Guarantee and not having a Share Capital)

A Technical Society of Engineers, Australia

AM Council is industry agnostic

Mission

- Create **broad awareness** of the value of asset management
- Nurture **common understanding** of asset management, and
- Provide a **portal** to asset management knowledge and resources

The Asset Management Council

Members - over 2500 members

Income - over \$2.5m annually

Industry - over 200 commercial and government organisations

National - Work together with all other Australian asset management focussed organisations (e.g. IPWEA, AusRoads WASA, WSA etc)

International - ISO, IEC, Global Forum on Maintenance and Asset Management (GFMAM)

Australian Infrastructure Plan - 2016



**Infrastructure
Australia**



Australian Infrastructure Plan

Priorities and reforms for
our nation's future

Report

February 2016



The Australian Infrastructure Plan - sets out the infrastructure challenges and opportunities Australia faces over the next 15 years and the solutions required to drive productivity growth, maintain and enhance our standard of living, and ensure our cities and regions remain world class.

National Infrastructure Plan is supported by State based Infrastructure Strategies/Plans

EXPERT ADVICE

STATE INFRASTRUCTURE STRATEGY

HAWKESBURY-NEPEAN VALLEY FLOOD RISK MANAGEMENT STRATEGY

TIMELY INFORMATION ON INFRASTRUCTURE PROJECTS

ASSET MANAGEMENT

BUSINESS CASE SUMMARIES

CULTURAL INFRASTRUCTURE STRATEGY

ADVISORY PAPERS

New South Wales STATE INFRASTRUCTURE STRATEGY

The State Infrastructure Strategy (SIS) is a 20-year infrastructure investment plan for the NSW Government that places strategic fit and economic merit at the centre of investment decisions.

The strategy assesses infrastructure problems and solutions, and provides recommendations to best grow the State's economy, enhance productivity and improve living standards for our NSW community. It is updated every five years.

2018

2014

2012

5-YEAR INFRASTRUCTURE PLAN

This 20-year Strategy sets out Infrastructure NSW's independent advice on the current state of NSW's infrastructure and the needs and priorities over the next 20 years. *Building Momentum State Infrastructure Strategy 2018-2038* looks beyond the current projects and identifies policies and strategies needed to provide the infrastructure that meets the needs of a growing population and a growing economy.

[VIEW AN OVERVIEW OF THE STRATEGY](#)

Key milestones toward National and State Infrastructure Strategies/Plans

Activity Timeline

- 1980/1990s – Accrual Accounting mandatory in Australia – Remarkably this is not the case for many countries today.
- 1990 (approx.) – International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) made mandatory by Australian Accounting Standards Board (AASB)

Key milestones toward National and State Infrastructure Strategies/Plans

Activity Timeline

2004 – AM Council established

The culture – Open and Inclusive, Thought Leadership, Share Intellectual Property (freely to all), Act independently

Roles of AM Council:

Promote Awareness of benefits of Asset Management

Thought Leadership - developed Training & Education Courses on the “Why” the “What” and “How” of asset management

Develop Chapters around Australia to enable member involvement

Encourage membership - Be on the front foot - “don’t be a victim again”

Developed - Asset Management Body of Knowledge and Asset Management Competency Scheme

Strategic Commentary – On key events within Australia (Press Releases)

Involvement with Standards development bodies (AS/NZS, ISO, IEC)

Key milestones toward National and State Infrastructure Strategies/Plans

Activity Timeline

- 2004 – Developed relationship with IAM (UK) and ABRAMAN (Brazil)
- 2010 – SAP and International Funds Management (IFM) joined AM Council Board, as a strategic “win - win” relationship
- 2010 - Key members of AM Council involved with NSW and Victorian Government Treasury projects - leading to various AM focussed initiatives across all Government departments
- 2012 - Fiscal Responsibility Act established in NSW (made asset management a key government discipline)
- 2012 - Key members of AM Council involved Standards bodies (AS/NZS, ISO, IEC etc) and GFMAM and WPiAM etc
- 2016 – National and State Infrastructure Strategies/Plans

AMBoK - Asset Management Core Themes

To support the achievement of business needs, asset management must integrate technical and financial decision-making processes

Asset management requires auditable and transparent decision making

Decision-making is fact based, where alternative solutions are evaluated using risk based methodologies

Asset management requires the development of a supporting leadership style and organisational culture

Improved business outcomes are achieved by improving asset management maturity



AMBoK Technical References

ISO 55001:2014 Asset management — Management System

ISO/IEC 15288 Systems Engineering

ISO 31000 Risk Management

ISO 10007 Configuration Management

IEC 62775 Dependability Management: Application – Technical and Financial processes for asset management.

IEC 60300-3-15:2009 Dependability Management - Part 3-15: Application guide - Engineering of system dependability.

IEC 60300-3-4 Dependability Management Part 3-4; Application guide – Specification of dependability

IEC 60300-3-1 Dependability Management - Part 3-1: Application guide – Reliability

Naval Aviation (Navair) 00 25 403 Reliability Centred Maintenance

AMBoK - Financial References

Relevant International Financial Reporting Standards (IFRS)

IFRS 3 Business Combinations

IFRS 7 Financial Instruments:
Disclosures

IFRS 8 Operating Segments

IFRS 9 Financial Instruments

IFRS 13 Fair Value Measurement

Relevant International Accounting Standards (IAS):

IAS 8 Accounting Policies, Changes in Accounting
Estimates and Errors

IAS 16 Property, Plant and Equipment

IAS 17 Leases

IAS 21 The Effects of Changes in Foreign Exchange Rates

IAS 36 Impairment of Assets

IAS 37 Provisions, Contingent Liabilities
and Contingent Assets

Refer to <https://www.ifrs.org/issued-standards/list-of-standards/>

Note: Implemented within each country's national accounting and reporting standards
e.g. Australian Accounting Standards Board (AASB)



AMBoK - Leadership and Culture references

Living Asset Management, Engineers Australia, Hardwick and Lafraia, ISBN 078 1 022107 25 1 dated 2013

Living Asset Management Maturity, Amazon, Kohler & Nugent & Killeen & Hardwick & Lafraia dated February 2020

Adaptive Enterprise, Stephan H Haeckel, Create Space, ISBN 0 87584 874 5 dated 1999

Re-creating Corporations, Oxford Press, Russell I. Ackoff, ISBN 978 0 19 512387 6 dated 1999

Ackoff's Best, Russell I. Ackoff, Wiley and Sons, ISBN 0 471 31634 2 dated 1999

Conclusions

Step 1

Asset Management (developing Infrastructure Plans etc) requires the development of a collaborative, inclusive culture

Step 2

To support the achievement of business & national needs, asset management must both integrate technical and financial decision-making

Step 3

Motivate and educate – “why do we need AM, what should we do and how can we do it?”
Why? - To improve me, improve my family & improve Australia

Step 4

Use conferences & conversations to motivate membership & to involve and challenge Government (both public servants & politicians)

Step 5

Work with Government agencies (e.g. PM&C and Treasuries)

Step 6

Use the AMBOK (and AM Maturity Assessments) to highlight needed improvements & the benefits that should accrue

2020 Asset Leadership Forum

The Asset Leadership Network
presents

reStructuring America

October 2020 Online

Rethinking the concept of value in national assets and infrastructure.

Thank you



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Living Asset Management Maturity

About Living Asset Management Think Tank Inc

The Living Asset Management Think Tank Inc. is a group of internationally based, passionate asset management professionals who firmly believe in the value that asset management as a discipline, can provide asset intensive organisations.

The Think Tank provides a forum where fresh ideas and concepts that enhance that value are discussed, leading to improved long term organisational and social outcomes - for organisations and individuals alike across the globe.

The Think Tank recognises that thought leadership in this discipline is not bounded by geography or professional background and so encourages participation from anyone with a similar passion.



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