



The Asset Leadership Network
presents

October 2020 Online
reStructuring America
Rethinking the concept of value in national assets and infrastructure.

Advancing Equity with Asset Leadership

A Development from the reStructuring America Forum

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Executive Overview

In the last few years, we have seen increased attention to inequities in our country, including unequal investment in infrastructure which directly impacts quality of life. The Biden-Harris administration has a unique opportunity to address some of these inequities by mandating the use of international standards as a condition of funding, as has been done with other legislation.

Many federal and local governments and private organizations are improving their asset management using the tenets of the ISO 55000 structure for asset management. The structure specifies unbiased guidance that helps to address inequities by:

- Requiring actions that obtain increased value from assets, and requiring plans that support organizational objectives with robust risk management
- Requiring inclusion of all relevant stakeholders in order to adequately make risk-based decisions

Successful implementation of the ISO 55000 structure helps produce outcomes that:

- Assure historically underrepresented stakeholders are included in plans and risk assessment
- Improve equity among all stakeholders
- Optimize equitable use of resources and levels of service for all stakeholders

Precedence for the use of established standards by federal agencies is guided by the National Technology Transfer and Advancement Act, MAP-21, OMB Circular A-119, and other federal laws, regulations, and international agreements (Interagency Committee on Standards Policy (ICSP)). The Obama administration updated OMB Circular A-119 (A-119A) to state:

Agencies shall use existing voluntary consensus standards, both domestic and international, in their regulatory and procurement activities as a means of carrying out policy objectives or activities determined by the agencies, unless use of such standards would be inconsistent with applicable law or otherwise impractical.

Current U.S. Federal Government Agency successes can be expanded and repeated with informed, bi-partisan leadership.



A Structural Solution to a Structural Problem: Anecdotal Introduction

Before he learned of the ISO 55000 structure for asset management, Hugh Sinclair, Washington Suburban Sanitary Commission, Asset Management Section Manager, frequently stated, "A structural problem requires a structural solution."

Mr. Sinclair now considers the ISO 55000 approach to be part of the structural solution to societal asset inequity.

The Asset Leadership Network (ALN) is grateful to Mr. Sinclair for clearly and simply stating the complexity and breadth of societal injustice and inequity reflected in the current application of 'value' in funding distribution across projects in our nation. It is a structural problem.

To Mr. Sinclair's simply implied mission of "improve societal justice," this paper aims to provide a simple, but equally complex and broad, response - "Use the ISO 55000 structure for asset management and you will make great strides in achieving your mission."

We answer with that response to almost all organizations looking to dramatically improve management of any asset type. Yes, the ISO 55000 standards can help diminish societal inequities and injustice through its structured approach to realizing value and minimizing risk for all stakeholders. This is due, in part, to the use of international, consensus-based standards that help to eliminate bias, and the requirement for involving "all relevant stakeholders."

Justice is an intangible asset promised in the United States of America. When the tremendously important issue of societal justice is addressed with a structural approach, it will help reduce the extremity of many other problems we face as a society.

While we know this is a bold statement, we have the courage of our convictions and offer bipartisan assistance to any organization interested in learning more.

The ALN is honored to convene the Advancing Equity with Asset Leadership Committee and welcomes all interested participants.

We thank original participation, involvement and observation from members of the National Urban League; Washington Suburban Sanitary Commission; Portland, Oregon, Parks & Recreation; and, diverse owners of private organizations. And special thanks to the New York City Metropolitan Transportation Authority, which is using the ISO 55000 principals and reports transformation at every level of the organization.

Overview

The ALN established the Advancing Equity with Asset Leadership Committee to explore and promote advanced approaches organizations can use to gain value from assets to improve equity among stakeholders. Adoption of such principles will contribute to overall prosperity and justice.

The Advancing Equity with Asset Leadership Committee established this document to help organizational leaders who use the ISO 55000 structure understand ways to include improved equity language in their Strategic Asset Management Plans.

This document includes:

- template language with equity language for use in an organizational mission statement, vision and goals;
- a concise understanding of the ISO 55000 structure;
- structuring a Strategic Asset Management Plan with a focus on the role total stakeholder inclusion can play;
- template language for using ISO 55001 to write a Strategic Asset Management Plan; and,
- a case study from Portland, Oregon.

The critical element in this approach is the involvement of all “relevant stakeholders” as prescribed by the ISO 55000 structure for asset management. This proposed method expands the definition of “relevant stakeholder” to ensure inclusion of those historically excluded. It is possible to achieve measurable equity for all and assist the establishment of social justice through the application of unbiased, well-structured standards.

Call to Action

When this proposed method for the application of the ISO 55000 structure is understood and applied, it is possible for an organization to increase value from assets and reduce overall risks while increasing stakeholder equity in achievement of mission success.



Mission, Vision and Goals Templates

The Advancing Equity with Asset Leadership Committee has established a Mission Statement Template to help organizations include equitable language when establishing their guiding principles.

The ISO 55000 structure for asset management requires that a Strategic Asset Management Plan is created in alignment with organizational goals. “Organizational Goals” is another way of saying “Mission, Vision and Goals.”

A structural problem requires a structural solution. Our structural solution - application of the ISO 55000 structure - can help organizations revisit their Mission, Vision and Goals to expand equity for all stakeholders through use of the following Mission, Vision and Goals Templates.

Mission Statement Template

Advancing Equity with Asset Leadership will help the [U.S. Federal Government] drive equity and equality for all Americans' well-being by advocating for adoption of the ISO 55000 asset management structure.

Vision Statement Template

The wide-spread adoption of the ISO 55000 asset management structure will provide unbiased frameworks for optimization and equitable use of resources built upon risk-based decision making to drive out inequality, which is a systemic risk to providing a fair stake for all.

Goals Template

1 - Implementation of international, consensus-based standards by public and private entities supports a cultural mindset that will help ensure a sustainable, intergenerational future where service delivery optimizes [America's] assets for all.

2 - Broaden the definition of ‘relevant’ when considering stakeholders to establish measures that drive equity and equality in organizational outcomes.

The ISO 55000 Structure Overview

The ISO 55000 Structure is based in the decades-old approach to management standards created by the International Organization for Standardization (ISO).

Approaches to Quality Management, Risk Management, Environmental Management, Energy Management, Sustainability Management and more have been available from ISO since the 1980s. All of the management standards follow a similar numbering system and can be cross-referenced when appropriate to strengthen an organization's effective operation.

In 2014, the ISO 55000 series of Asset Management standards was first published. It is well suited to be the overarching standard that allows an organization to collect all of its successful management approaches under a single umbrella. Other standards can be used in a similar way, but the focus on gaining value from assets makes the ISO 55000 structure highly relatable and provides a single language that can be applied to all asset categories. This creates opportunities for uniting people focused on different areas of an organization.

All ISO management standards have three foundational documents that have a similar numbering system. The following is how they are represented in the ISO 55000 series.

ISO 55000 is the document that contains the overview, principles and terminology.

ISO 55001 is the document that includes more than 170 requirements in 7 main sections, including Context of the Organization, Leadership, Planning, Operation, and Measurement.

ISO 55002 is the guidance document.

It is common to refer to the trilogy of foundational documents by the "000" number. The ALN finds referring to the "ISO 55000 structure for asset management" as useful introduction language.

Using an ISO approach to manage any type of asset allows an organization to restructure its approach to quality, risk, energy, environment and more. This restructuring has proven to be transformative and successful to many organizations, including many in the U.S. Federal Government.

Stakeholders in the ISO 55000 Structure

The ALN understands that the ISO 55001 requirements document is where the work of an organization is focused. ISO 55001 references "stakeholders" five times. That is only about 3% of the more than 170 requirements, but a focus on stakeholders can be the foundation of any organization's asset management plans. Many may believe that stakeholders should be the foundation of an organization.



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The following section explains how to advance equity by focusing on the five requirements for meeting the needs of stakeholders. Systematically including people who have historically been excluded from equitable sharing of assets is a very good start for an organization, such as a government entity, that wants to establish societal justice.

While this is a simple statement, and obvious to many, when combined with appropriate responses to many other simple statements in a structured approach to asset management, the results can be dramatically beneficial in a measurable way, and in some cases, transformational, as experienced by the New York City Transportation Authority and multiple U.S. Federal Government Agencies, including, the U.S. Department of State, U.S. Air Force, U.S. Army Corps of Engineers, Western Area Power Administration, Bonneville Power, U.S. Department of Homeland Security and others.

One measure can be the increased number of stakeholders in a project. When historically underrepresented people participate in the value from government assets, mission statements, visions and goals that value the level-of-service to all stakeholders can be adopted. When level-of-service to all stakeholders is fundamental to an organization, dramatic improvements can be realized. New York City Metropolitan Transit Authority executives say that transformational improvements can be made.

ISO 55001 Equity Overlay: A Guide for Organizations to Increase Stakeholder Equity

In order to financially support the extensive work needed to create international, consensus standards, ISO has strict copyright requirements that must be respected in order to continue its successful contributions to the world. This section will only briefly mention sections of ISO 55001. Your organization can buy ISO 55000, 55001 and 55002 for \$100 each from ISO or its affiliated national members.

Start with ISO 55001 4.2 – before 4.1

ISO management standards list the core activities to be completed to achieve success. Most organizations that follow ISO standards are successful in their efforts.

Rarely do organizations follow the exact order of their chosen ISO standard. Typically, they check off the list of things they are already doing well. They check off the things they are doing in a satisfactory manner. Then they list the things they aren't doing well and the things they don't do at all. It is only then when it is decided what to do first. For organizations interested in advancing equity in their organization, it could be very useful to start with ISO 55001 4.2, which is the section that is most focused on stakeholders.

ISO 55001 4.2 is titled, "Understanding the needs and expectations of stakeholders."

While other sections mention stakeholders, 4.2 is focused on them. It requires:

- listing stakeholders;
- establishing stakeholder requirements and expectations;
- establishing decision making processes; and
- establishing information sharing requirements of stakeholders.

ISO 55001 4.1 is titled “Understanding the organization and its context.” A key part of this section is to ensure a Strategic Asset Management Plan is aligned to organizational objectives. This is another way of saying - activities must focus on the organizational mission.

The Advancing Equity with Asset Leadership Committee believes that when you involve stakeholders who have historically been excluded from organizational equity, the mission of the organization is likely to be adjusted. Therefore, it is recommended that organizations looking to improve social justice begin their approach to the ISO 55000 structure with ISO 55001 4.2 - “Understanding the needs and expectations of stakeholders.”

An organization can also explicitly consider equity and inclusion to avoid disparities by asking, “Who is involved?” “What is the quality level requirement across the spectrum of end users?” “What are their capabilities, competency and band width to be able to access value from the assets being managed?” Actively seeking answers to these questions, and more, will help an organization increase the equity value from their assets.

Once you understand the needs and expectations of stakeholders – some of whom may have never been heard from before – your next steps may be very different than expected. Be prepared to reexamine your mission statement. Reaffirming, or realigning, an organizational mission statement can have immediate benefits by heightening the focus of all involved.

Other “Stakeholder” references

The next reference to stakeholders is in 4.3 - “Determining the Scope of the Asset Management System.” This section references requirements in 4.2, which means stakeholder have to be included in establishing the Scope of an asset management system. This is another simple and strong step to be taken in advancing equity.

It is recommended that organizations provide explicit direction when writing this section of their Strategic Asset Management Plan. Language that can be used includes, “Assure concerns, disparities and issues of all communities are reflected in the Scope.” This can help address of systematic racism and sexism.



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In section 5.2 – “Policy” there is a requirement for top management to ensure the policy is available to stakeholders as appropriate. Organizations may want to do more than make policy available. Organizations may want to ensure their policy development includes stakeholders to use asset management as a way to combat the systematic racial, socio-economic and other historic internal and external biases.

Section 6.0 addresses Planning. This section explicitly states that when establishing objectives, the organization shall consider requirements of relevant stakeholders. It also states that objectives be established and updated using section 4.2 and communicated to relevant stakeholders

Making materials available in appropriate languages, using experts to establish how materials can be best communicated using both contemporary and traditional information management tools and processes, and more, will engage the most stakeholders. Communication and Information management are two other key sections of ISO 55001 that relate directly to this Planning section. The Information management section even references stakeholders.

If this Planning section is followed appropriately, an organization will take another large step in advancing equity with their asset management approach.

ISO 55001 7.5 Information requirements

Among the 11 main information requirements in ISO 55001 7.5, one of them focuses on consistent and traceable data that considers stakeholder requirements.

At a time in human history when information is so extensively available, valuably used, and its use is still evolving rapidly, appropriate consideration of stakeholder information requirements can be a tremendous equity builder.

For the 2016 ALN Transition Committee Position Paper, the Information Work Committee established that information was an asset. Giving stakeholders information in a manner that they can use productively is giving people an asset with which they can create equity that provides value to them and to the organization.

Again, this is self-evident and has been expressed in many ways for many years by many people. It is when the mission of improving organizational mission success through greater value from assets can repeatedly create equity for all organizational stakeholders that the thoughts and words of many people can be harnessed to assist creation of measurable, dramatic benefit.

It is especially clear to see through the lens of information requirements that the reason for including all relevant stakeholders in the process of asset management is to not only correct historic injustices, but to also increase organizational value.

When organizational leaders realize there is a repeatable path to improved stakeholder equity through involvement in increased asset value, multiple organizations can realize a Renaissance in mission success. When the multiple organizations are agencies inside the U.S. Federal Government, bipartisan actions can be taken to improve the mission success of the United States of America through Executive and Legislative Branches.

Case Study – Portland, Oregon

After much important, but somewhat esoteric, language, we are fortunate to have a case study from the municipality of the Portland, Oregon. While this is not a federal case study, it shows that with a structured approach and leadership support, government assets can be measurably used in ways to enrich historically underserved stakeholders in a way that benefits the entire municipality.

Interestingly, the Case Study did not start out based in ISO 55000 structure, but with a standard from the Institute of Public Works Engineers Australia (IPWEA). However, the ISO 55000 structure was designed to allow incorporation of other standards, and the IPWEA has since incorporated ISO 55000 concepts into its standards. Also, best practices can be “captured” in the ISO 55000 structure and set up as a template for repeatable success.

The following case study shows how Portland, Oregon successfully incorporated a bigger circle of stakeholders in Parks & Recreation funding to improve a park asset in a significant way to dramatically increase value to an underserved community and helped the municipality achieve its mission of respecting diversity and inclusion.

Case Study: Systematically Identifying and Addressing Risk

In 2016, [Portland, Oregon](#) took an additional step in its application of Asset Management (AM) by completing a system-wide condition assessment of all its 138 Playgrounds. The assessment process followed an international standard called the [IPWEA Practice Note 10.1](#), by the same organization that publishes the **International Infrastructure Management Manual**, and used mobile technology tools from the US technology company [ESRI](#) to collect and map the resulting information.

Systemwide asset condition assessments depart from traditional methods of documenting and prioritizing financial investment in the following ways:

1. Instead of relying on complaints, advocacy, or only fix-when-it-breaks prioritization methods, a comprehensive approach considers all needs systematically.
2. The updated information provides a basis to forecast lifecycle needs for an entire
3. Brings situational awareness of multiple facets of service level performance including condition, function, and provision as well as who is benefitting and who is not from public resources.

The playground assessment uncovered a system in need of substantial investment with:

Assessment Results	
1%	Very Good Condition
10%	Good Condition
42%	Fair Condition
31%	Poor Condition
6%	Very Poor Condition

Equally important to this overall understanding, Portland used these assessment results in public involvement to highlight where the risks were most acute and using **Likelihood of Failure, Consequence of Failure**, while considering **Equity**. Some thought **Equity** could be a *component* of Consequence of Failure. Though that calculation may be possible, Portland found it vital to keep it separate and highly visible when contemplating the entire list of unfunded needs. These public engagements and asset information were used to prioritize investment for part of a voter-passed Bond. The elected Commissioner-in-Charge of this Program also broadcast it on [social media](#). As an example using this criteria, one playground that previously wasn't on the prioritized list was at Gilbert Primary Park. It had equipment removed due to existence of lead-based paint, had some of the oldest equipment remaining, and it was not conducive to wheelchair access. Gilbert Primary Park serves an area that includes: 33.7% People of Color, 26.1% youth, and 23.2% of households below the federal poverty level – all three indicators exceeding the City of Portland averages. Through the prioritized investment, Portland modernized this playground for better ADA access, reduced daily maintenance, and a much safer play experience to give the neighborhood youth the breadth of physical activities needed for full childhood development.

(Continued)

Playground Before Prioritized Investment:



Playground After Prioritized Investment:



Additionally, in developing the project, Portland sought and included input from the neighboring community through [culturally-specific](#) outreach efforts.



By relying on Asset Management information, tools, and inclusive techniques; agencies and jurisdictions have a reliable ally in advancing equity and their missions.

Advancing Equity with Asset Leadership

Do	Don't
<ul style="list-style-type: none"> ✓ Use AM information and tools to drive-out unintentional bias from decision processes and to illuminate hidden risks. ✓ Share decision-making, including striving to provide translation services, childcare, stipends, and convenience to public meeting participants who need it most. ✓ Consider the increased marginal utility of asset benefits for those with less access. For example, providing municipal parks and trees near lower-income housing often provides more lifecycle public benefit than ones near large, treed, single-family residential lots. ✓ Research and learn how your sector, community, and profession has contributed to, and <i>can correct</i>, today's disparities. 	<ul style="list-style-type: none"> ✗ Selectively use nor manipulate AM information and tools to justify pre-made decisions. ✗ Engage in tokenism nor presume one organization speaks for an entire demographic. ✗ Use faulty, hidden assumptions that perpetuate disparate outcomes. For example, reliance on property value in benefit-cost analyses can steer scarce investment to those who need it less. ✗ Perpetuate inequities by failing to examine intergenerational and demographical disparities in asset benefits.

Know Your Sector – Parks, Recreation, Natural Areas, and Trees

- Disparities regarding tree canopy and other heat-stress reducing land cover have been documented in research papers and in local analysis.
- *Inclusive Play* brings important childhood development experiences of proprioceptive play, vestibular motion, social interaction and multiple levels of challenge to *all* abilities.
- Asset practitioners can expand their awareness and knowledge through independent research. For example, in the book *Contested Waters*, Jeff Wiltse chronicles the evolution of municipal swimming pools in the U.S. through a social history lens.

References

ISO 26000 Social Responsibility

<https://www.iso.org/iso-26000-social-responsibility.html>

ISO 26000 helps clarify what social responsibility is, helps businesses and organizations translate principles into effective actions and shares best practices relating to social responsibility. It is intended for all types of organizations regardless of their activity, size or location. ISO 26000 provides guidance rather than requirements, so it cannot be certified to unlike some other well-known ISO standards. It can be useful for organizations interested in advancing equity with improved use of their assets

The United Nation's

Managing Infrastructure Assets for Sustainable Development:

A handbook for local and national governments

https://www.assetleadership.net/wp-content/uploads/2021/02/IAMH_2021_0.pdf

While intended for nations, any organization can find something useful in the more than 400-page PDF available for free. The document mentions the ISO 55000 structure, but provides its own approach to Asset Management Action Plans, a Diagnostic Tool, templates, case studies, a glossary and more.

The U.S. Government Accountability Office

Federal Real Property Management

Agencies Could Benefit from Additional Information on Leading Practices

<http://www.assetleadership.net/wp-content/uploads/2018/11/gao-study.pdf>

While intended for U.S. Federal Government Agencies, the document provides a inciteful look into the ways any organization can benefit for advanced asset management practices, as represented by the use of ISO 55000. Case studies of Canadian asset management practices are mentioned as are references to Asset Leadership Network Board Members and Senior Fellows.



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The Asset Leadership Network would like to acknowledge and thank the following people for their contributions, support and observation of this document creation process:

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