



The Asset Leadership Network  
presents

# reStructuring America

October 2020 Online

Rethinking the concept of value in national assets and infrastructure.





# Asset Management, Sustainability and the role of standards in Assuring our Future

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- Chair ISO/TC251 Asset Management
- Global Consulting Leader for Digital Asset Management & Operations
- 30 years in AM in aerospace, defence, rail, telecommunications and oil & gas
- IAM Board member 2014 - 2016
- IAM Patrons Representative
  - For Atkins 2019 - date
  - For Lloyd's Register 2005 - 2010
- IAM Council Member 2008 – 2010



@Rhys\_Davies\_55k  
#AssetManagement #ISO55000



# Agenda

Everyone is aware of the impact of the ISO14001 series of standards in environmental sustainability but our long term future is dependent on decisions we make today. Asset Management captured in the ISO5500x series of standards is the discipline focussing our decisions on long term outcomes and Rhys will discuss why this is important as well as the role the ISO/TC251 is playing in capturing and communicating the practices that can assure our future.



# Asset Management Defined

- Asset Management is the coordinated activity of an organization to realize value from assets in the achievement of its organizational objectives
- What constitutes value will depend on these objectives, the nature and purpose of the organization and the needs and expectations of its stakeholders
- We talk about AM in terms of these AM fundamentals:

Value  
Alignment  
Leadership  
Assurance



Source: ISO55000 Asset Management – A Biography



Aligned objectives



Transparent and consistent decision-making



Long-term strategic view



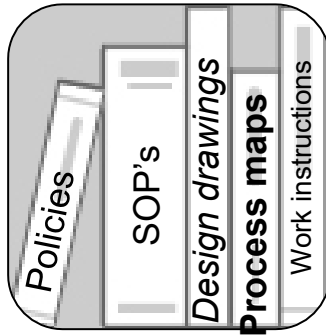
Risk-based decision-making from a position of knowledge

An Alternative View

<https://reliabilityweb.com/bookstore/book/iso55000-asset-management-a-biography>



# Why do we have procedures



Procedures help us control our work in order to **manage risks** to achieving our objectives.

## How?

Processes & procedures reduce the **likelihood** of an event occurring. They can also be used to reduce the **consequences** of a risk

Likelihood	The event is likely to occur within 12 months	The event is likely to occur within 3 years	The event is likely to occur within 5 years	The event is likely to occur within 10 years	The event is likely to occur within 20 years
Use of Revenue	<5% of annual Turnover	<5% of annual Turnover	<10% of annual Turnover	<25% of Annual Turnover	>25% of annual Turnover
Reputation	Negative Single Local Media Coverage	Negative Local Media Coverage	Negative National Media Coverage	Negative Multi-Media Coverage	Negative International Media Coverage
Environment	Minimal Impact of Low Significance	Minor effects on Environment	Moderate Short-term effects	Serious Medium-term Impact	Serious Long Term Impact
Safety	Slight Injury	Minor Injury	Major Injury	Single Fatality	Multiple Fatalities
Consequences					

So what is a Management System?

- A Management System is the collection of procedures used to manage an organisations collection of retained risks



# What this looks like in practice



ISO is an independent, non-governmental international organization with a membership of 165 national standards bodies. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market relevant International Standards that support innovation and provide solutions to global challenges.



# So What?

- Objectives
- Risks to Objectives
- Processes to manage risk
- Management Systems to manage corporate risk
- Standards to communicate and influence good practice

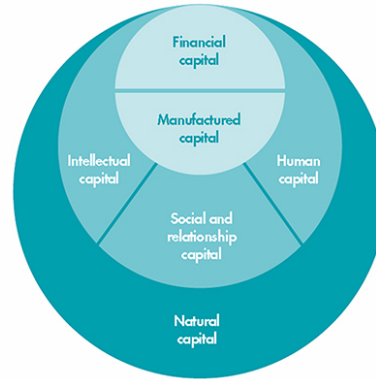


So what are the big trends?





# Big Trends



New Financial Models –  
6 Capitals  
[IntegratedReporting.org](https://IntegratedReporting.org)



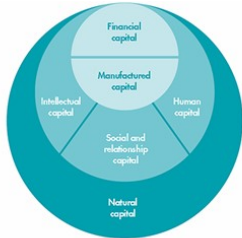
Environmental  
Sustainability



# Standards to communicate and influence good practice



Environmental  
Sustainability



New Financial  
Models – 6 Capitals



- Complex multivariable decision making problems
- Need to develop thinking in existing community
- Need to develop new standards communities

# Where the standards community is

- ISO/TC207 – Environmental Management
- ISO/TC251 – developing work on complex multivariable decision making for AM
- ISO/TC322 – Sustainable Finance new standards for a new community

**In TC322 active engagement from Environmental community, AM community and the finance community – working together for a better world**





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# Thank you

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