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## INTRODUCTION

[Organization's] asset management strategy is a step-by-step plan for achieving our asset management objectives. If the policy is the vision and the objectives are the goals, the strategy is the game plan. By implementing the strategic initiatives in this document, [Company] will create a disciplined, integrated asset management system that aligns our asset performance with our organizational goals.

The strategic initiatives described here comprise one component of [Organization's] overall strategic asset management plan (SAMP), which includes our asset management policy, objectives, strategy, and performance measures.

## GROUNDWORK

### Organizational Context

*This section is client-specific. It should describe the organizational context into which the asset management system is being implemented, including any factors (internal or external) that are relevant to the asset management system's purpose or might affect its success. These factors should include, but are not limited to:*

- *the organization's market position and stakeholder requirements;*
- *the organization's current equipment/infrastructure and its condition (i.e., a description of the organization's asset portfolio);*
- *the current state of the organization's asset management operation, including existing processes, workforce compliance, success to date, and opportunities for improvement;*
- *any existing management systems that could interact with or otherwise affect the asset management system.*

### Scope of the Asset Management System

*This section is client-specific. It should describe the extent and boundaries of the asset management system, including the areas of the organization where the system will apply and those outside its reach. The scope should include, but is not limited to:*

- *the asset portfolio that the system will manage;*
- *the functions and activities that the system will govern;*
- *how the system will interact with other management systems (if applicable);*
- *to what extent and how the system will address organizational context (above).*

## Risks, Challenges, and Opportunities

*This section is client-specific. It should describe and assess potential risks, challenges, and opportunities that the organization may face in implementing its asset management system; provide plans to address risks or challenges, take advantage of opportunities, and suggest a way to integrate these plans into the rest of the asset management system. Risks, challenges, and opportunities may include, but are not limited to:*

- *environmental, social, safety, quality, and financial impacts of the asset management operation;*
- *undesired effects arising from the implementation;*
- *change management challenges;*
- *opportunities for continued improvements, such as training new hires.*

## PLANNING PROCESS

### Approach

[Company] will establish, document, and maintain an asset management system (comprising the asset management strategy as well as function-specific practices, procedures, requirements, guidelines, and other elements) to achieve our asset management objectives. This asset management system will align with our asset management policy and objectives. It will consider external requirements, both from outside the organization and from other functions within the organization. To this end, we will integrate our asset management planning process with other organizational planning activities, including Accounting, Human Resources, and other support functions.

### Decision-Making Methods and Criteria

*This section is client-specific. It should document the methods and criteria used when making decisions, prioritizing activities, and allocating resources to achieve the organization's asset management objectives. Decision-making criteria should include, but are not limited to:*

- *external requirements (from stakeholders, customers, laws, regulations, etc.)*
- *internal requirements (from business objectives, operational needs, financial constraints, etc.)*
- *asset management best practices (from industry standards such as ISO 55000 and PAS 55)*

### Roles and Responsibilities

[Company] staff is responsible for developing and implementing asset management policies, objectives, strategies, and practices as follows:

- **Upper Management / Executive Leadership** is responsible for creating the SAMP and ensuring that it (a) aligns with [Organization's] overall business objectives and stakeholder requirements; (b) meets legal, statutory, and regulatory standards; and (c) delivers a clear, achievable vision and directive for the asset management operation.

- **Mid-Level Management / Functional Leadership** is responsible for realizing the SAMP by developing specific operational practices and procedures to implement the strategic initiatives effectively.
- **Managers / Supervisors** are responsible for (a) implementing the practices and procedures defined by function leaders and (b) reporting on performance and providing feedback (based on data and analysis) regarding the success of the implementation.
- **Functional Personnel / Staff** are responsible for (a) following the practices and procedures defined by function leaders; (b) complying with company policy and requirements; and (c) receiving training, as needed, to support the asset management system implementation.

### Time Frame

*This section is client-specific. It should outline the proposed time frame for (a) establishing and documenting the asset management policy, objectives, strategy, practices, requirements, and other elements; (b) implementing the asset management system, including deadlines for completing each stage in the asset management strategy; and (c) reviewing system performance against objectives and performance targets.*

### Required Resources

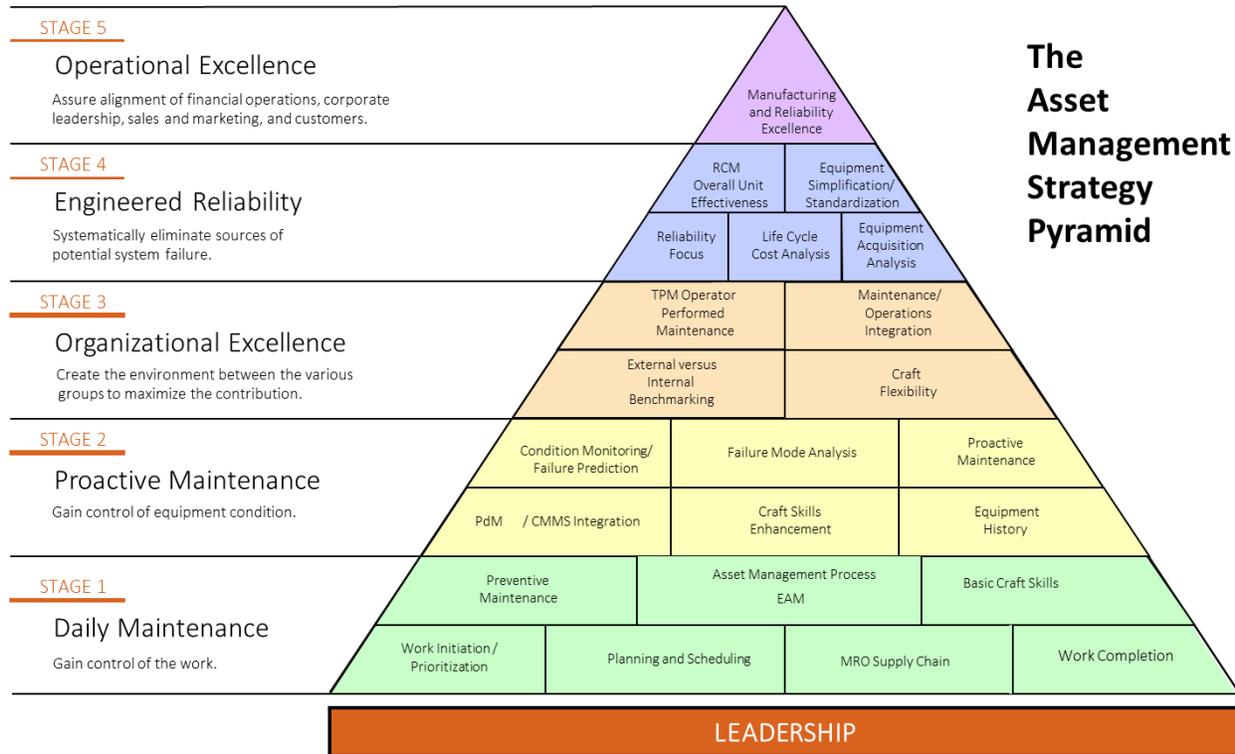
*This section is client-specific. It should estimate the resources required to establish, document, implement, maintain, and continually improve the asset management system, including finances, labor, technology, equipment, materials, and third-party services.*

### Change Request Process

Changes to the asset management system must follow the proper approval process. Any changes to asset management policy, objectives, and strategy must be approved by upper management. Any changes to asset management practices, procedures, and requirements must be approved by mid-level management. Requests for changes must be submitted using the Change Request Form contained in Appendix C.

**STRATEGIC INITIATIVES**

[Organization’s] asset management strategy is divided into five stages: Daily Maintenance, Proactive Maintenance, Organizational Excellence, Engineered Reliability, and Operational Excellence. Each stage builds on the previous one, like levels in a pyramid, climbing to a pinnacle of operational excellence.



Leadership, at the base of the pyramid, is the bedrock of the operation. The organization’s leadership must develop and communicate a clear vision for the organization’s asset management operation and demonstrate an ongoing, unwavering commitment to that vision. This investment from company leadership provides an essential foundation for implementing the following strategic initiatives.

**Stage 1: Daily Maintenance**

Daily maintenance is about gaining control of the maintenance workflow. It addresses the processes that affect day-to-day, front-line maintenance operations. Stage 1 includes:

- Work Initiation and Prioritization
- Work Planning and Scheduling
- MRO Supply Chain
- Work Completion
- Preventive Maintenance
- EAM System Procedures
- Basic Craft Skills

## Stage 2: Proactive Maintenance

Proactive maintenance is about gaining control of equipment condition. It addresses the processes needed to monitor asset performance and work *proactively* (to predict and prevent failures) instead of *reactively* (to respond to failures after they happen). Stage 2 includes:

- PdM / CMMS Integration
- Craft Skills Enhancement
- Equipment History
- Condition Monitoring / Failure Prediction
- Failure Mode Analysis
- Proactive Maintenance

## Stage 3: Organizational Excellence

Organizational excellence is about creating an environment among the various groups that maximize the contributions of each. It focuses on functional relationships, flexibility, and efficient division of responsibilities. Stage 3 includes:

- External versus Internal Benchmarking
- Craft Flexibility
- Total Productive Maintenance (TPM) Operator-Performed Maintenance
- Maintenance-Operations Integration

## Stage 4: Engineered Reliability

Engineered reliability is about systematically eliminating sources of potential system failure. It focuses on analyzing asset performance and finding additional ways to improve reliability. Stage 4 includes:

- Reliability Focus
- Life Cycle Cost Analysis
- Equipment Acquisition Analysis
- Reliability-Centered Maintenance (RCM) Overall Unit Effectiveness
- Equipment Simplification / Standardization

## Stage 5: Operational Excellence

Operational excellence aligns financial operations, corporate leadership, sales and marketing, and customers with the organization's asset management objectives, strategy, and initiatives. Stage 5 centers around manufacturing and reliability excellence.

# IMPROVEMENT

## Performance Measures

Key performance indicators should be reviewed on a regular basis to measure the success of implemented practices and procedures against performance targets/asset management objectives. Key performance indicators for Work Management, Materials Management, and Procurement are provided in their respective Performance Management sections.

### **Internal Audits**

Internal audits should be performed regularly to assess how well the asset management system complies with its requirements. Audit scoresheets for Work Management, Materials Management, and Procurement are provided in their respective Performance Management sections.

### **ISO 55000 Certification**

Depending on the organization's needs, it may be beneficial to have the asset management system audited and certified against ISO 55000 standards. This step verifies that the organization's asset management system complies with industry-recognized best practices.

## **CONCLUSION**

The development and implementation of a holistic, proactive, life cycle asset management system represent [Organization's] ongoing commitment to reliability, improvement, and sustainability. We recognize that building an asset management system is a significant undertaking; however, we also believe that building and maintaining such a system will benefit our company significantly. By taking a systematic approach to our asset management operation, we aim to increase performance, minimize costs, reduce risks, and generate value across the organization. This asset management strategy and our asset management policy, objectives, and performance measures represent the first step in that process.