

Asset Management

Planning and vision, the long term success in asset management

What has been achieved by the people who are the subject of this case study can only really be appreciated by those who have struggled in a large bureaucratic organisation with seemingly restrictive cultural and operational barriers. Outer Eastern TAFE was one of the larger suburban education facilities in Melbourne in the 1990's. They had relatively modern facilities that were placed in geographically separate sites in the eastern suburbs of Melbourne. They had assets to manage across seven or more sites including commercial and teaching premises and these included many public access buildings.

This is the story of visionary decision making, careful planning and an effective technical partnership combined to provide a solid asset management system that adapted to change and in doing so, enabled a proactive approach be adopted by those that embraced the system.

Their assets were newer than most other TAFEs but relatively little had been done to get an operational control over their use and effectiveness to the organisation. A change in the State Government alongside a change in the building regulations meant that their rules by which they managed their assets were about to change dramatically. As well as this, the Education Department of the day required regular reporting on the configuration and use of the facilities to enable them a state-wide management perspective on the total TAFE Asset portfolio and how it was deployed. The state-wide buildings and land asset base and its contents were managed by a regular TAFE reporting system that for most TAFEs was a manual process involving the constant manipulation of spreadsheet data.

One of Outer Easterns' key employees would spend three weeks accumulating information for the regular 6 monthly report to government. There were a lot of potential sources for this data and it all had to be cross checked and collated, in order to review the integrity of each system before it was committed to the management report. A tedious and thankless task.

In 1998 the Facilities team instigated a review of their business focus and practice. They defined an asset management business model that allowed them to implement a solution to bring a diverse range of asset data together enabling a big picture view of each asset and its use. This information could be reviewed and outcomes of actions taken could be monitored. One feature of this new approach was to treat each space within a building as an asset in its own right and thus attributes of this space, albeit a floor or a room, could be used in the management matrix to get effective asset management outcomes. It also helped introduce an "ownership" view and accountability for the entire asset base from furniture to wall finishes. Another feature of the model was to manage the facilities and their associated assets from a function/performance based perspective not rely on, as in the past, financial measures to dictate the effectiveness of any asset.



innovations

FM INNOVATIONS

FM Innovations
Level 4, 455 Bourke St
Melbourne, Vic 3000

Phone: 03 9600 1646
Fax: 03 9600 2333

www.fminnovations.com.au



Once this new approach was understood and communicated to the team by the facilities management group they began implementing systems that would produce the outcomes that they desired, plus they were able to communicate with both their user base and their management as to the status quo and the forecast future operational needs. The new approach meant implementing systems that would gather operational data by virtue of day-to-day practices being performed, which meant changing work practices at the workplace level and, in doing so, starting on a path to implementing best practice in their environment. A key feature of this new strategy and indeed of their system requirements was to be able to routinely, simply communicate and liaise with their users, be they occupants or suppliers of services. By taking advantage of technology the TAFE already had in place, they could utilize and enhance it to suit their purpose.

FM Innovations (FMI) was the company that the management team looked to in order to provide business software solutions that could meet their new approach to asset management. In order to get an early payback, a Space asset management project was undertaken and this resulted in a visual database of all the facilities producing a management report that used to take three weeks, in just five minutes.

Once the space assets were being managed this meant gathering information on the key assets (other than land and buildings) that needed to be managed. At this stage additional State Government requirements were brought in and TAFE colleges were asked to change their mode of operation in a variety of ways. All of this was to bring the tertiary management sector more in line with commercial corporate practice and one in which the effective management of the asset base would play a key part in delivering success.

The space database allowed Outer Eastern to ascertain their exposure to the third party access rules and make tactical plans to quickly introduce the Government sponsored changes. It also allowed them to plan strategically in order to make more fundamental changes to their building configurations to meet these new business demands.

The existing asset maintenance database and paper records they had were migrated to the new FMI asset management system. Work management practices and work flows began to improve both in quality of response to customers, and in quality of the data collected from improved work practices. These older systems were retired and the new FMI system started to gather the operational data on the asset base including its current condition and to manage its essential service backlog. In the meantime a merger was arranged, again at Government level, with Swinburne University. A new era for the TAFE had begun as being a smaller part of a much larger organisation.

Through all this change the facilities asset management strategy carried on with automatically managed planned work, and as a by product contractors regular work could be assessed and compared to similar contracts on other sites. FMI integrated the triennial audit database with the space system and the facilities team implemented a "self serve" capability to asset maintenance. The facilities personnel and the assets they managed had the procedures, the practices and the systems in place to take change in their stride and indeed to promote even more change. They were also acutely aware that what they were doing mattered and that record keeping in their own systems, were of paramount importance to answering accurately any questions asked of them through this change period.

In the last two years the Swinburne University has had less obvious external changes, but increasing commercial operational imperatives demanded of them by the current business regime in higher education. They are planning their asset management changes that are required to cope with this thrust by again talking with FMI and taking on the later versions of the asset management software. These new modules provide increasingly important capabilities of OHS reporting, project time recording, effective distribution of standardised policy documents and in general keeping pace with the growing needs of asset management using robust and proven technology to maximise the impact of the earlier visions.



Over the years due to astute facilities decision making and some vision for the future, Swinburne University ensured systems and practices were put in place that allowed effective documentation, operational management, usage and compliance of their asset base over an extensive period of change in their organisation. They, like any other organisation, have not been immune from change but the facilities team have had the adaptability of its personnel and systems in order to cope with the changes, and indeed harness the asset base, to respond to changing business rules that affect the overall business operation during these turbulent times.