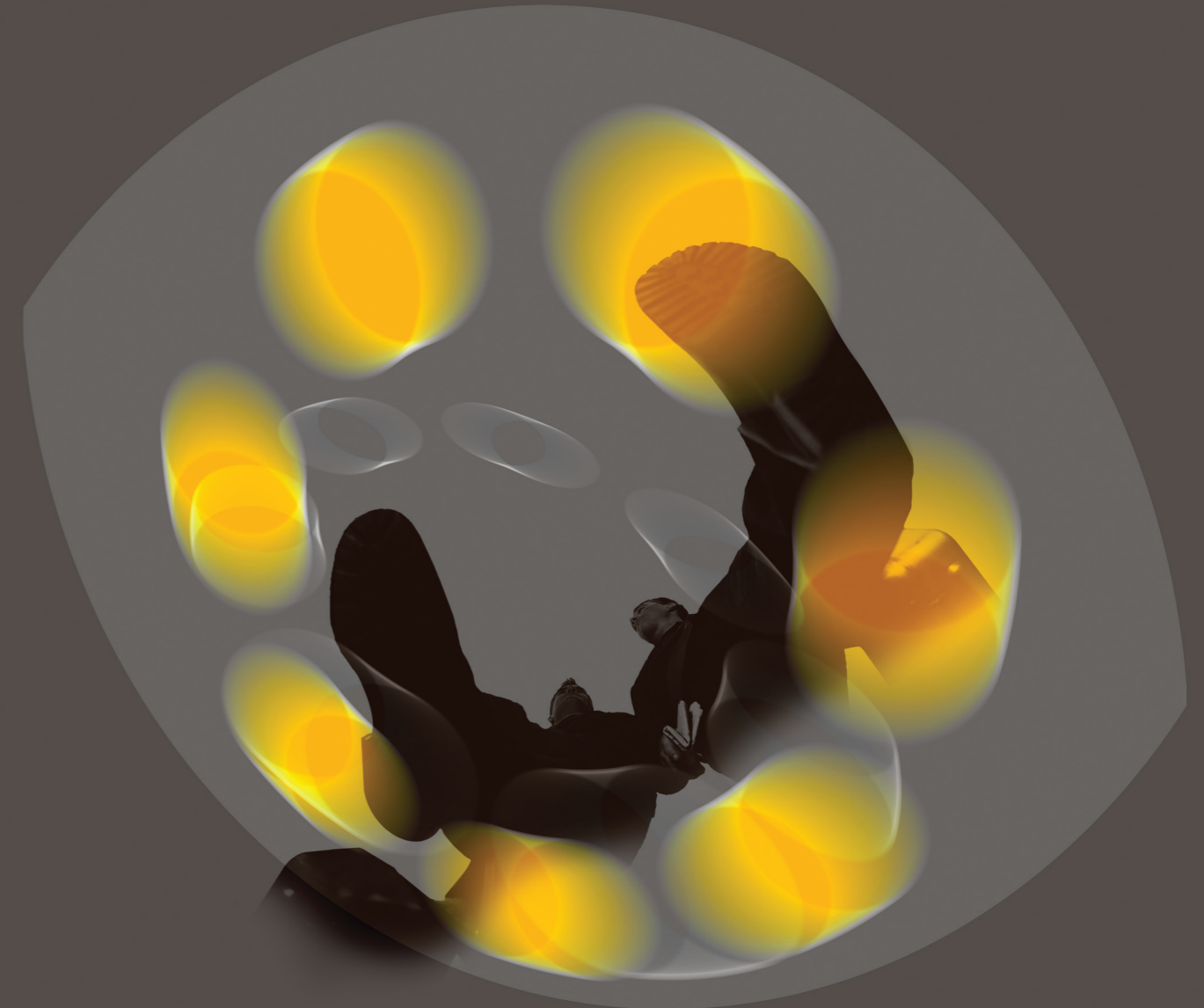


Step 2 – In-house mentoring and implementation of **step watch**

- 1 Develop and document strategic levels of service in line with Asset Management policy/strategy.
- 2 Categorise Assets by Hierarchies.
- 3 Develop and document asset condition assessment, capacity assessment and functionality assessment methodologies.
- 4 Develop Council specific service level criteria and standards for maintenance, capital, risk and safety – translating the strategic levels of service into operational frameworks.
- 5 Design and adopt a Council specific maintenance prioritisation process based on hierarchies and service levels. This framework will drive work scheduling.
- 6 Develop Council specific asset performance models to predict future outcomes:
 - a 25 year financial plans.
 - b Cost v/s service level options.
 - c Project level 10 year capital work plans.
 - d Analyse long term impacts on asset conditions and service levels for varying levels of funding.
- 7 Develop a Council specific budgeting process:
 - a Used for annual budget analysis.
 - b Used for budget trade-off justification.
 - c Used for articulating what-ifs to decision makers
- 8 Develop Council specific decision matrices for asset renewal, asset acquisitions and asset disposals.
- 9 Develop an objective Council specific capital works programming process.
- 10 Develop Council specific maintenance work scheduling and monitoring process.
- 11 Develop Council specific Performance Monitoring Process.
- 12 Develop Council specific Asset Accounting and Valuation process that complies with AASB guidelines and assists council to measure and monitor asset consumption and depreciation.
- 13 Refine existing and Define Asset Policies that support the framework.
- 14 Formal documentation of Council endorsed Asset Management Plans based on the above.

stepwatch

THE SEVEN STEP PROCESS TO SUCCESSFUL
ASSET MANAGEMENT



stepwatch



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ASSET MANAGEMENT
PRACTITIONERS

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What is step watch?

step watch is a Total Asset Management Implementation framework, which has the ability of making asset management a way of life. **step watch** does not treat asset management implementation simply as a project. It treats the implementation as a unique culture-change exercise, which has a combination of tangible and intangible elements. Each element of the following building block is therefore instilled into an organisation's work process.

step watch implementation elements

Objective	Data	Knowledge	Tools	Skills	Plan	⇒ Success
	Data	Knowledge	Tools	Skills	Plan	⇒ Confusion
Objective			Tools	Skills	Plan	⇒ False picture
Objective	Data	Knowledge		Skills	Plan	⇒ Frustration
Objective	Data	Knowledge	Tools		Plan	⇒ Anxiety
Objective	Data	Knowledge	Tools	Skills		⇒ False start

ACEAM utilises a *unique asset management skill transfer* process for each element of **step watch**. The methodology of skill transfer is to enable Asset Management to become a culture or way of life within an organisation over time. This is done through facilitation of the development of asset management tasks by on-site training.

Step watch service centric asset management journey

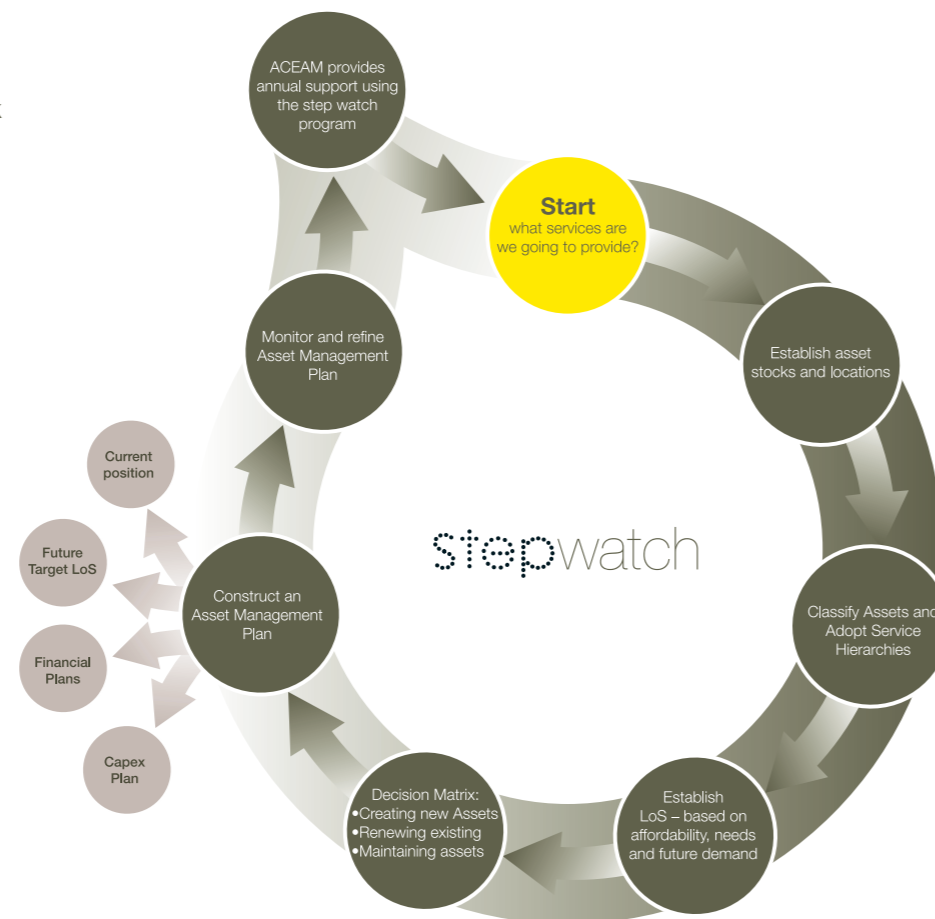
If an organisation undertakes one round of the **step watch** journey, this represents the first robust iteration of asset management planning. In subsequent rounds, a fully equipped organisation can be expected to practise asset management as a way of life.

Why do we call it service-centric

The step watch service centric framework is a new era in asset management. It replaces the theoretical approach of managing assets as physical entities, with managing assets on the basis of service needs. Service-Level definitions take the focus in this service centric model. Service Levels determine what assets may be needed now and in the future. Assets are classified into service based hierarchies. Future planning in relation to funding, capital expenditure for renewals and upgrades, provision and acquisition of new assets as well as ongoing operational maintenance are all a functional outcome of desired service levels.

step watch is a Service-Centric Model, as opposed to a pure Asset-Centric Model. This eventually leads to the effective implementation of corporate asset management based on service needs. Therefore in this model, service consumption and not asset consumption is the KPI.

A complete round of the **step watch** relates to completion of the first iteration of asset management planning. This process is further refined as agencies mature in their planning process and over time asset management becomes a way of life in the organisation.



Why step watch?

Service Centric **step watch** framework is a robust process, which allows agencies to implement a needs based asset management plan that can be effectively measured. Measuring asset management performance has been a fundamental gap in practising asset management. Condition of assets may not be the best KPI. The potential of infrastructure to meet levels of service is a more relevant KPI. For example, a community hall may be in pristine condition but may fail to deliver its relevant service as the users are predominantly aged people requiring specific locations, special parking and better lighting and ambience. Similarly future funding allocations, based on service needs, is a more robust funding model.

step watch is a mentoring process where service levels are developed from the ground up, using a skill transfer process. This allows agencies to go through the full cycle of Asset Management and subsequently fine tune the process to achieve the best maturity level.

What are the key indicators of a successful step watch organisation?

An organisation that can confidently answer the following questions:

- What level of service will we be providing and have we checked affordability?
- What do we own and how does it fit with the level of service?
- Where are our assets located and how do they fit with services we have to deliver?
- What is the present condition, functional adequacy and capacity of our infrastructure?
- What level of funding is required to deliver the desired level of service?
- What level of funding is needed to keep providing the satisfactory standard of service?
- How will we fund the service delivery?
- What will we expect to achieve for it and is this objectively measurable?
- What is our project level CAPEX plan for renewal, upgrade and maintenance?
- Is our pricing mechanism (rates, charges etc) linked to a total life cycle annuity plan that is derived from a target level of service.

How does ACEAM assist agencies to implement step watch?

Implementing **step watch** is a 2 step process.

Step 1 - Asset Management step watch Review and Diagnostic

An in-house review is undertaken to identify:

1. Current asset management processes.
2. Gaps and strengths.
3. Maturity Model for asset management.
4. Service Centric emphasis of managing the future.

A Council wide workshop is carried out by:

1. Providing an Asset Management presentation based on **step watch** and individual environments.
2. Tailoring of Asset Management framework to the individual council findings and needs.
3. Developing a **step watch** plan or program for Council to review.
4. Providing an open forum for discussing the way forward for Council if it chooses to do so.

ACEAM acknowledges that each Council is different and unique in terms of:

- Level of funding.
- Internal needs and pressures to embark on the journey.
- Immediate legislative and compliance mandates.
- Current level of knowledge and skills.