

Let go of the reins




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/ DESIGN FOR A BETTER FUTURE

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Abstract

The aim of this paper is to consider the current approach to asset management and how changing the organisational culture can support the uptake of best practice asset management methodologies.

However, the management of culture change is a complicated task; its precise function in asset management often remains underspecified, and the desirability and feasibility of strategies have been infrequently tested and adopted. In the absence of any prescriptive requirements, this paper draws upon qualitative factors to give a snapshot of how the shifting of culture can be undertaken within organisations. Available actions taken by leaders will be highlighted to show how these can trickle down and improve the way organisations respond to the growing future challenges and achieve long term benefits.

1. Introduction

Traditional approaches to asset management have largely been focused on the technical aspects of monitoring asset management performance as a means of maximising asset longevity, often overlooking the important role that employees themselves play in ensuring effective asset management decision making . This has resulted in a reactive, rather than a proactive, asset management culture dominating many organisations responsible for asset management. A cultural shift is required, to place the focus on employees as custodians of these assets, empowering and equipping them with the necessary tools to achieve the organisations' asset management objectives.

This paper highlights some of the key considerations in effectively implementing change within organisations, specifically with respect to the organisational culture, workplace relationships and employee engagement. Most organisations that have attempted to change or implement strategies that challenge their existing culture have either failed or found the process too long and laborious to achieve the desired outcomes of the initiative. The actions proposed in this paper provide guidance as to how to improve the approach of organisations to change and empowerment, so that they can better respond to the growing future challenges facing their asset portfolios and the services they provide.



2. Where is culture in our organisations?

Organisational culture refers to the values, beliefs, and practices that shape the way people behave and interact within an organisation. It plays a crucial role in determining how employees approach their work, make decisions, and interact with each other and with external stakeholders. Effective organisational culture can be an asset in and of itself to organisations seeking to improve their asset management initiatives.

You'll notice that ISO 55001 makes no direct reference to organisational culture. In fact, the word "culture" is never mentioned. Yet arguably, an organisation's success in implementing ISO 55001 is heavily contingent on the culture within the organisation. The culture towards asset management for many organisations has defaulted to a reactive culture characterised by a focus on responding to the issues that arise, rather than proactively identifying and preventing them. This approach often results in higher costs and lower asset performance. It can also lead to a culture of deferring blame and finger-pointing, where the attention is on finding someone to blame rather than working together to find solutions.

Shifting from a reactive culture to a proactive culture in asset management requires a significant change in the mindset and practices of the business. Attempts to change the culture have often been known to fail; however, implementing change is difficult even when the conditions are ideal. Evidence suggests that almost three quarters of all organisational change programs fail and usually in the implementation phase. Many change initiatives fail because the change strategy was not matched with the organisational culture, and employees suffer from 'cultural dissonance,' in which the established culture invariably wins. In the case of asset management, the failure to implement usually occurs not at the senior management level, but rather at the lower rungs of the organisation, where technical

and engineering employees undertake work tasks every day under the instruction of their supervisor, who in turn receives instructions from management further up the hierarchical line. Therefore, implementing cultural change strategies requires clear messages and an effectively managed implementation process. Considering the difficulty that most organisations have when attempting to align culture with organisational goals, it is important to develop an understanding of the role that organisational culture plays in developing effective and efficient asset management processes. The effective development of processes that maximise asset management performance requires an encouraging and supportive organisational culture.

A supportive culture should provide an environment that supports, rewards, and recognizes employees who act or behave in a manner that is aligned with maximising asset management performance and achieving organisational goals. Organisations attempting to provide support to maximise the performance of asset management require, among other things, the support of employees involved in the asset management performance. Because management values and practices influence the culture of an organisation, it is only when organisational management embeds strategies aimed at developing a culture that promotes and fosters reciprocity, that such a culture develops.

3. Effective leadership – find your champions

Nothing will increase the adoption of asset management practises faster than managers who walk the walk AND talk the talk.

Asset management leadership must be both, transparent, engaging, and obvious. If not, then any asset management initiatives will not have the support to achieve the desired outcomes and value.

Effective leadership is a critical element of success in any organisation. At its core, effective leadership is about inspiring, motivating, and guiding individuals and teams towards a shared goal. Effective leaders possess a range of qualities that allow them to create a positive work environment, build strong relationships with team members, and drive results.

One of the key qualities of effective leadership is strong communication skills. Effective leaders can communicate their vision, goals, and expectations clearly and concisely to their team members. They also actively listen to feedback and ideas from team members and use this information to make informed decisions that benefit the organisation. Organisations can't simply rely on Strategic Asset Management Plans or Asset Management Plans to communicate their expectations and objectives. These documents can't ever possess those qualities of our effective leaders. They are words on a page - useful, but ultimately flawed when we consider the depth and breadth of our organisations. Instead, in addition to these documents, managers should be actively engaging their team members to empower them to do their best work. Empowerment is known to be a bit of a buzzword that gets thrown around a lot, along with other consulting jargon-like 'mothball', or 'circle back' - with little

context or meaning. In a nutshell, the purpose of empowerment is to give employees a sense of ownership for their role and work. Employees that feel they truly 'own' their role are generally far more engaged in their work day-to-day and require less micromanagement and input from the top-down.

So, the question remains, how can we as leaders build teams of empowered individuals? Again, it comes back to that all-important quality of effective leadership; the ability to inspire and motivate team members. Leaders who can create a sense of purpose and meaning for their team members can tap into the intrinsic motivation of their employees, leading to increased productivity and job satisfaction. For managers to inspire their teams, they should be able to articulate the overall purpose of the organisation, as well as the purpose of each team members' particular role and how those roles fit together to weave the tapestry of the organisation and its big picture strategy. Being able to tell the story of the organisation, and have it felt across all members of a team, isn't the only skill of an effective leader of course. Effective leaders recognize and reward the achievements of their team members. They provide opportunities for growth and development. They effectively delegate tasks to ensure their team members are utilised. They make the difficult decisions and manage conflicts. They adapt to changing situations, take calculated risks, drive innovation and growth, encourage collaboration and teamwork, and set clear expectations. Above all else, they lead by example in setting a positive work culture.

When we look at asset management, the tasks of the asset manager or the asset management planner must have alignment with Leadership, the strategic goals of the organisation and its overarching leadership plans. Conversely, leadership must also be aligned and ready to provide the necessary resources (be they HSEQ, Finance, ICT, Commercial, Legal, or any other) to support the members of their teams to deliver asset management value. It's that key element there that is so often missed, support. When we look back on those qualities of effective leadership we just touched on, how many of those could be so easily categorised as support? Too often, we think of building teams to support us as leaders. Too rarely, we

think of how we as leaders need to support our teams. That support can take many forms and functions. It can be tangible, laptops, or a bank of ready-made document templates. But often the best support a leader can give is trust. A shoulder to lean on. An ear to lend when the workload gets too much. A vision to follow, that not only helps a team understand the work they are doing but helps them derive meaning and purpose from their role. By effectively conveying those intangibles, we can empower our teams - giving them the ability to work proactively in their roles, in service of a greater vision, confident that should they stumble or take a wrong turn, you as an effective leader will be there to help them.



4. Workplace relationships

One of the most critical aspects, then, of a proactive rather than reactive culture in an organisation stems from the personal relationships. In particular, the definition, candidness, and openness of working relationships is key to ensuring the clarity of the messages and feedback loops embedded within an organisation and the organisational culture.

Effective workplace relationships benefit both employees and the organisation because employees gain easier access to relevant information, resources, support, and respect, which in turn enhances their ability to do their job more effectively, making them more effective in the workplace, and enhancing organisational effectiveness. In contrast, if an employee perceives that an organisation does

not value them or care about their wellbeing, then the employee is likely to reciprocate with work practices typical of those who do not care about the organisation and are not enthusiastic about undertaking activities related to new organisational goals.

Achieving an organisational culture that maximises organisational management performance by that organisation requires a change in culture because it requires different types of activities to be undertaken. It requires strong working relationships between leaders and the teams they lead. It requires a strong buy-in from all levels of an organisation. Most importantly, it requires the clear and distinct communication of organisational strategy infused into the organisational culture.



5. Conclusion

The value you can derive from your asset is directly linked to the value you can derive from the staff in your organisation. If your team doesn't understand what the end goal of their work is, or where the company wants to innovate, your assets are losing out. If your team doesn't respect their leadership and doesn't feel valued by that leadership and empowered to make their own decisions to revolutionise, innovate and be creative in their work, your assets are losing out. If your team doesn't feel like they can take risks and come to their leadership to pick them up when they fall, your assets are losing out.

When culture is forgotten about, or not made a priority, you're leaving real dollars on the table from those assets. It's not just wishy-washy hyperbole. We are talking about real value that simply won't be achieved by teams that are strung out, unbalanced, resentful, and not working at their optimum capacity and capability. That is why change management in this setting is so imperative. We need to bring every member of our organisations along on the journey to delivering greater value through asset management. Every single member of the organisation needs to understand the broad strategy and goals of that organisation and need to be empowered to realise those organisational goals in their day-to-day work in the way that their expertise sees fit. They need to be given the support to do their work to the best of their ability, have the structures and mentorship to support them when they fail, and be inspired daily by their leaders.

The world of asset management is constantly changing, shifting and growing. It's critical that organisations are proactive in both their addressing of asset management related issues, and their uptake of the most progressive and modern asset management methodologies. But to do so, the organisational culture has to be right, and the change management practices need to be there. If they aren't, the benefits of those new methods, tools and practices will never be realised, because the people dealing with them won't be doing so to the best of their ability.

The proposed activities outlined in this paper are aimed to be high level and should be further refined and tailored to the specific organisation's acceptance and adoption of asset management practises. If organisations have a reactive culture, then the way to make the culture proactive begins by changing the messages and support emanating from the organisation. Until ISO 55000 gets updated it is our job to tackle culture, it is incumbent upon us to address culture. The transition to a proactive asset management culture is facilitated by strong workplace relationships and is demonstrated by engaged employees enthusiastically performing their functions and tasks.



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