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## **Asset Management** *Leadership and Culture*





## **Asset Management:**

Leadership and culture to prepare us to manage assets for the future that deliver outcomes today.

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Management of assets is founded at the operational level, but success for the future and delivery of outcomes will require engaged leadership and an asset management culture at all levels of the organisation.

The role of strategic asset management is to support organisations in managing their systems and to best realise value and outcomes from assets. Asset management should not be held up as a panacea but rather an underlying enabler for organisational success and outcomes through life cycle management of assets. Strategic asset management should be viewed as the connector tying cultural and operational perspectives into the business strategy and management of investment in a portfolio of assets.

To commit; Leadership is looking for demonstrable value in applying asset management. Asset management must demonstrate value through growing internal capability that provides assurance and confidence, and through real financial benefit from organisational change and delivery of customer outcomes.

*"In the face of human and environmental change we must be putting in place asset management frameworks and capability to ensure the sustainable delivery of value now and into the future. Asset management leadership and an integrated culture will position asset owners for a resilient future.*

*In Australia the kick start of the economy has provided an injection of funds directly into the assets and infrastructure space, now more than ever having the right and assured system for managing assets is going to be so important as the asset base grows and is renewed."*

**TOBY HORSTEAD** FIEAUST, ENGEXEC, CAMA, CPAM  
Senior Principal Asset Management Consultant WSP  
Board Director Asset Management Council  
Chair (for Asset Management Council) NSW  
Government Asset Management COP

*"The next evolution of asset management is to truly prepare us for the future and with that respond to the issues of the moment. The COVID-19 pandemic has been much more than a health crisis; it is a human, economic and societal crisis. How we emerge from the pandemic, requires us to fully consider the value of the infrastructure that society depends on.*

*WSP's view of asset management is both about understanding the asset capabilities, risks and vulnerabilities and putting in place plans and capabilities to prepare for the future that consider the broader context we operate assets in – including our interface with climate change, social justice, societal health and well-being and economic sustainability."*

**DR. CHRISTIAN ROBERTS** FIAM, AMP  
Senior VP and Managing Director –  
Asset Management and Business Advisory, WSP USA  
Chair of WSP's Global Asset Management  
Professional Network  
Deputy President of the Institute of Asset Management



**In order for a business to put in place levers for success, we believe it is critical for strategic asset management to underpin the organisation as follows:**

#### **ORGANISATIONAL VISION THROUGH AN ASSET MANAGEMENT LENS**

It is not simply filling the gaps with artifacts that leads to value, the tools and artifacts must be sustainably implemented. The establishment of a common language, operating models, governance, decision making processes and whole of life approach are all key elements for creating confidence in the realisation of business goals. This is best achieved by engaging top management, an executive sponsor and getting a commitment for change via a maturity pathway mapped against an asset management framework.

#### **ORGANISATIONAL CHANGE TO EMBED IMPROVED ASSET MANAGEMENT SYSTEM**

Asset management programs of work typically describe a set of activities and outputs to be achieved within a timeframe, with little else indication of how to approach the people aspect of organisational change to achieve 'new ways' of working. At WSP, we lift that program of work to focus on how to proceed with people being 'front and centre'. We keep true to the principle of people being the key to organisational change – organisations don't change, people do. Our work is structured and tailored to the requirements and maturity of the business whilst understanding that every individual counts in making a personal change in how they work, and how they think. We work with our clients to provide rigour and structure in creating a roadmap of how to involve people along the journey so they can take part in owning and adopting 'new' asset management ways of working. We share our experience and do not underestimate the effort required to make these things successful. We stay with our clients until the start of the benefits are becoming apparent and equally we leave our clients in a better position than when they started with a greater understanding of how to do people change successfully.

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### **MANAGEMENT OF RISK**

Risk management within the asset management industry has traditionally revolved around applying specific techniques (e.g. HAZOP, Bow-Tie or FMEA) to address a defined operational need. This still holds true, however with organisations gaining a better understanding of direct and indirect impacts from asset underutilisation/availability on their operations, the risk conversation needs to expand. To reduce whole of life costing, better service end users (through performance) and anticipate future trends/shocks (such as flooding and bushfires); then risk needs to be tied into the conversation all the way from operational into tactical and strategic to bring the full view of the business to executive leadership.

### **DIGITAL DATA AND INFORMATION**

Data is the linchpin needed to underscore an asset management strategy. Collecting and managing data on where assets are, what they are, their condition, valuation etc. must be a core function for any organisation wanting to manage their assets and is often collected but not updated or utilised effectively to run the organisation. In some instances, this data itself is an asset and may be a source of revenue. Modern data science techniques are enabled by good data and allow for the applications of machine learning, optimisation, and statistical techniques. These can be used to finely tune procedures for the management of assets to extract the maximum value from each asset. For example, using machine learning techniques, a predictive capital upgrade program can be forecast and budgeted reducing the risk of premature asset disposal.

Engineering asset management is no longer enough to provide the integrated management system that provides understanding of the organisations desired outcomes and delivers value from assets. We understand that the asset managing community is looking for a suite of services that now includes strategic asset management, change management, business planning, risk management, data and information management and the associated engineering



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### **COACHING, MENTORING AND INDEPENDENT EXPERIENCED GUIDANCE**

Our role as asset management professionals must be to provide guidance, support and coaching that better positions our clients internal resources ready for the future and positioned to manage assets for todays' outcomes.

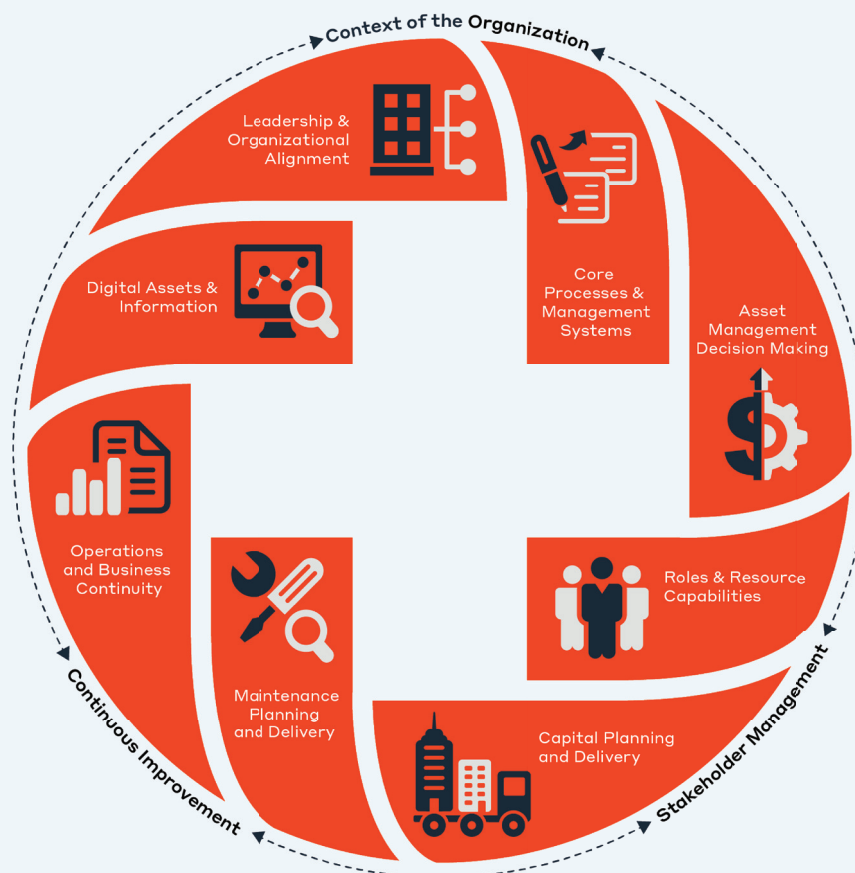
For WSP that means partnering and providing capability to ensure successful change

WSP's global asset management capability model supports organisations in understanding that the entire business must be integrated and engaged. Our model allows our industry leaders to assist organisations to develop their asset management framework in their likeness, rather than being made to fit a proprietary model.

**Our success is seeing our clients realise  
consistent sustainable delivery of value.**

# Better Business Decisions

We see our role as your asset management partner, providing capability to ensure successful change in the right direction.



**Our experts include authors of and key contributors to international guidelines and best practice development, including:**

International Standard for Asset Management Systems ISO 55001:2014

Asset Management Council - Asset Management Body of Knowledge

ABAB - Asset Information Requirements Guide

Airport Cooperative Research Program's guide to airport asset management

International Infrastructure Management Manual



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#### **About WSP AUS**

WSP AUS, formerly WSP | Parsons Brinckerhoff, is the Australian operating company of one of the world's leading engineering and professional services firms—WSP. Dedicated to serving local communities, we are engineers, planners, technical experts, strategic advisors and construction management professionals.

WSP AUS designs lasting solutions in the build ings, transportation, energy, water and environment sectors. WSP partners with our clients to help communities prosper.