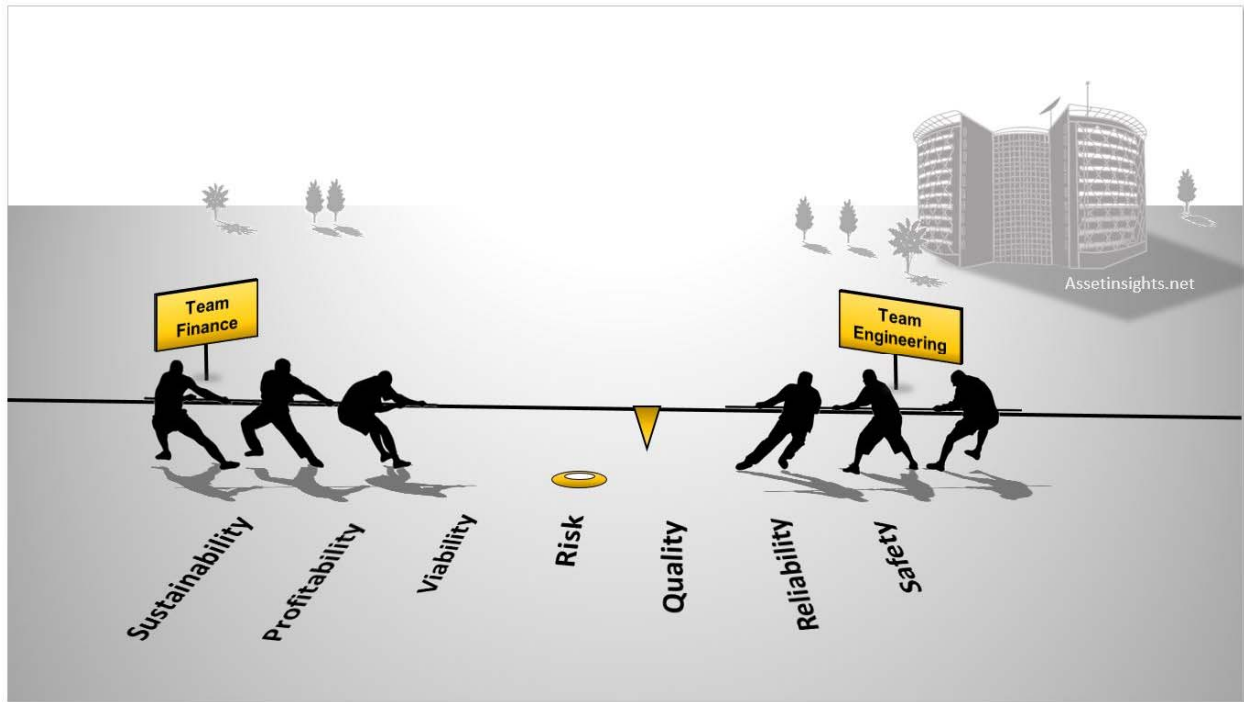


10 Tug-of-Wars in Asset Management

David Albrice, December 18, 2015



"Don't wear roller skates to a tug-of-war" -- Larry Wall.

As I continue my journey through Asset Management I have come across a number of organizational tensions that require mindfulness and critical thinking to result in a win-win rather than a win-lose scenario.

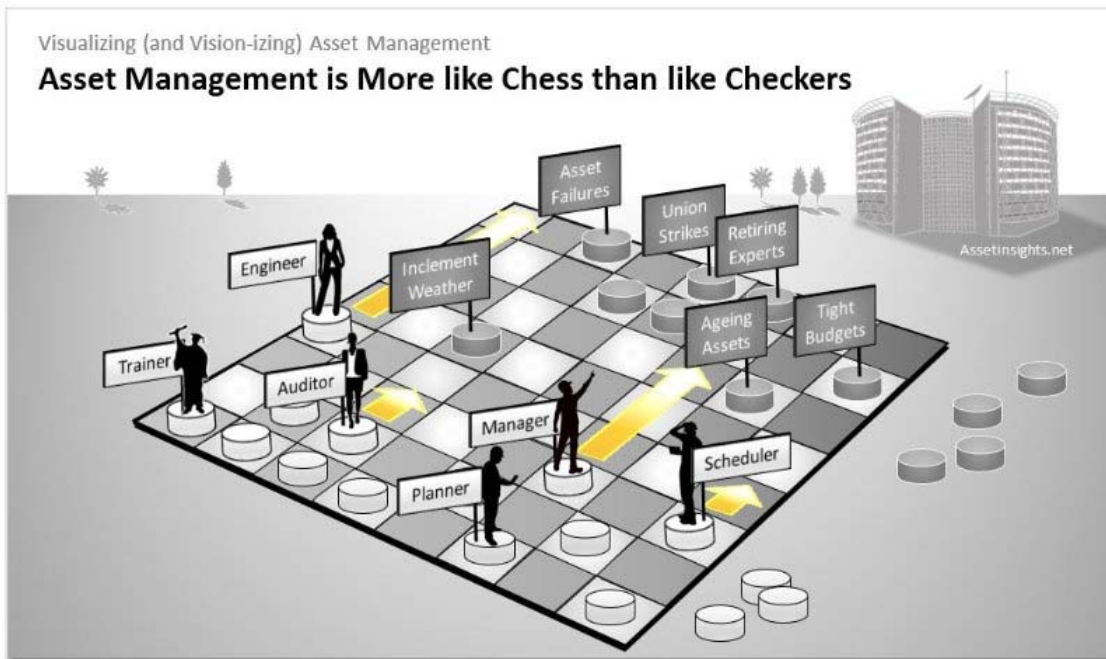
1. Push-or-Pull on a Rope?

Is your department pushing on a rope or caught in a tug-of-war? All kinds of rope wars are futile. Once we put the ropes away we can focus on integration, collaboration and alignment.



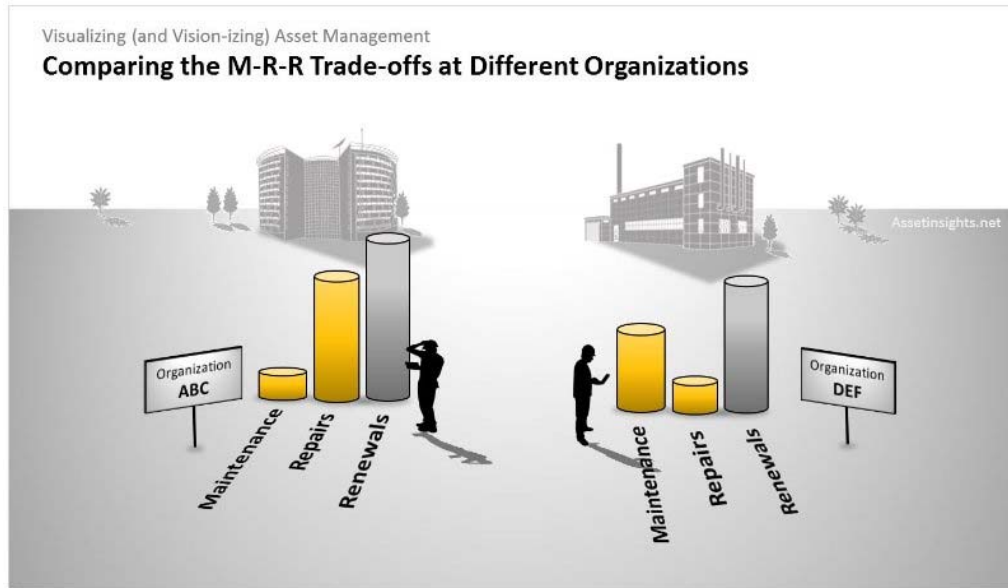
2. Play a Game of Chess-or-Checkers?

A chess grandmaster is thinking ahead five moves and carefully leveraging the value of each piece - and that's where the strategic advantage lies. If we play asset management like checkers, we will not overcome the powerful players on the other side of the board.



3. Focus on Maintenance-or-Repairs?

As maintenance quality and effort increases so does the frequency and scope of repairs decrease -- however, there is a point of diminishing returns. How do you know when you have found your optimal M-R-R balance?



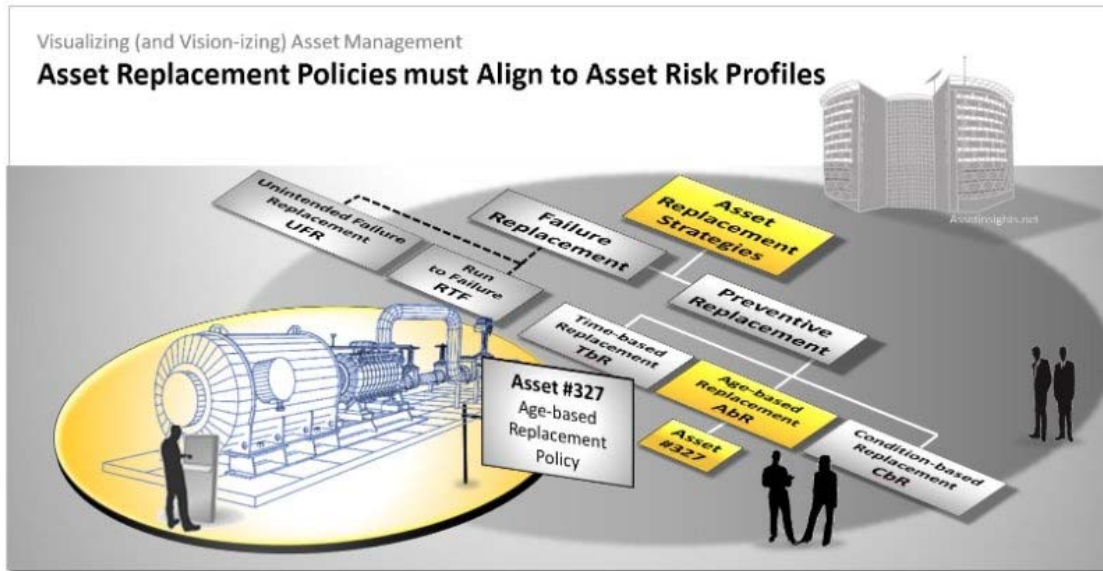
4. Ask Why or What-if?

It seems to me that all our challenges can be traced back to nine questions – starting with the all-powerful "Why?" and ending with the all-knowing "What if?"



5. Be Reactive or Proactive?

Asset replacement policies must align to asset risk profiles in order to achieve optimization and satisfy ISO 55001 requirements. The replacement mix that results across the asset portfolio is our risk management strategy.



6. Have Culture or Strategy for Breakfast?

Asset management is hard work and requires sustenance. Two essential ingredients of a nutritious asset management recipe are strategy and culture.



7. Look Upstream or Downstream?

Supply chains are a key factor in an organization's success. Failure to manage the risks associated with some of these upstream processes may result in procurement delays, downtime and business interruption. How far upstream does your organization try to plan?



8. Rely upon Insourcing or Outsourcing?

All organizations must find their optimal resource mix, which is the appropriate balance between internal competency development of its staff and contracting with external 3rd parties.



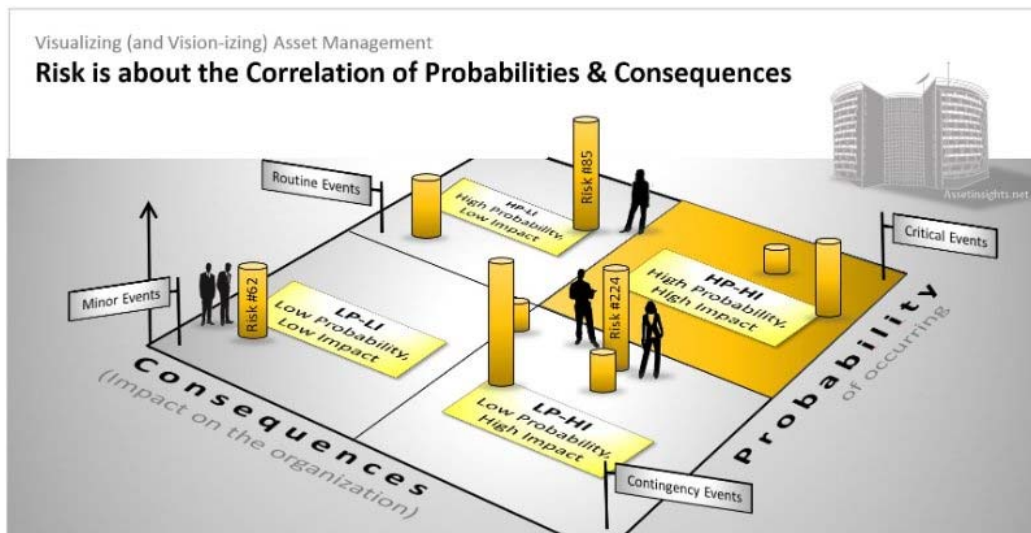
9. Plan for Today or Tomorrow?

The "old fashioned" calendar view still represents one of the best tools to visualize work distributions and to manage the many tasks in the Asset Management Plan (AMP). We need our history to inform our future, all of which takes place in decisions that are occurring today.



10. Manage the Probabilities or the Consequences of Failure?

Risk-based decision making is at the heart of asset management and this requires mindful consideration of the relationship between the probability of failure (PoF) and the consequences of failure (CoF). The complexities of these correlations can sometimes be captured on a risk matrix.



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