

Leverage the ISO 55000 Standard for Asset Management

Deliver Business Value to the Bottom Line

The case for leveraging ISO 55000 for heavy asset industries, infrastructure and the public sector is indisputable. Instigating comprehensive and effective Information Governance improves the ability of organisations to comply with laws and manage asset-related risk while providing real business value. To underpin an ISO 55000 compliance program with Information Governance is a step in the right direction.

Physical and information assets are becoming inseparable

– emphasising the need for Information Governance. Physical and information asset management translates an organisation’s objectives into asset-related decisions, plans and activities, using a risk-based approach. ISO 55000 requirements for leadership, planning, support, operation and evaluation support this. Because ISO 55000 caters for information assets as well as physical assets, it provides a single view of business, risk and compliance for asset-based industries.

In heavy asset industries regulated by health, safety and environmental mandates, having information such as documented business know-how, processes and SOPs linked explicitly to physical assets can mean the difference between life and death.

Estimated Benefits of ISO 55000

- 60% better information management
- 20-30% improvement in asset planning and maintenance (plus providing a blueprint for asset planning and maintenance)
- 10% improvement in legal compliance and asset information

Leveraging big data & analytics to manage assets with ground-breaking technology, organisations like Caterpillar can monitor 350,000 trucks world-wide. From their fleet monitoring office in downtown Pretoria they can keep tabs on a piece of equipment half a world away in Western Australia.¹

Cat’s signature yellow trucks and dozers capture valuable performance information, used to show clients how to

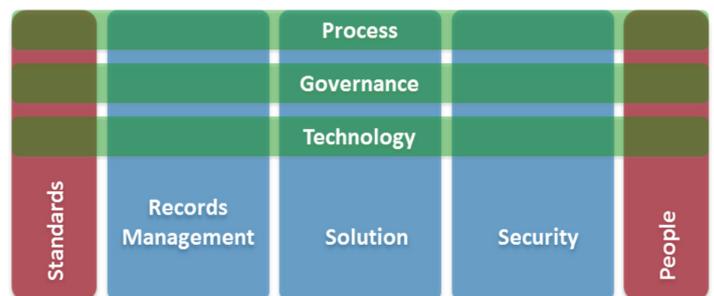
make the most out of the behemoths – insights allowing customers to better manage their assets, reduce risk and increase productivity.

“The stakes are high because mastery of these trends can consolidate or expand their global reach, but losing traction could disrupt them or shear off pieces of their businesses”

- Mark Munro, a senior fellow at the Brookings Institution in Washington, D.C., who studies advanced industries.

ISO 55000 identifies that leadership and top management are responsible for policy determination, communication and role assignment. An organisation must identify and evaluate risks related to asset management objectives and plan actions to address and monitor their effectiveness. This is the exercise of due diligence and due care.

ISO 55000 provides for planning and specifies information criteria across all asset management areas, addressing risks, roles, responsibilities, processes, activities and information exchange that impact decision-making. Notably, the establishment of appropriate “data repositories” is a requirement.



ISO 55000 Elements

¹ <http://www.chicagobusiness.com/article/20150704/ISSUE01/307049995/why-caterpillar-is-letting-its-geek-flag-fly>

ISO 55000 deals with documented information including information specified in the Standard itself and information required by law. It underpins ISO 9000 for Quality Management and ISO 14000 for Environmental Management. Information must be identified, formatted, approved and reviewed with controls applied. Typically, ISO 55000 also deals with operations, performance and improvements reflecting the Plan, Do, Check, Act (PDCA) model.

In applying ISO 55000, organisations should cater for integrated Enterprise Information Management - the discipline of jointly managing structured (in fixed fields) and unstructured information – linking documents to ERP records, for example. This increases the value of information to the business.

Heavy asset industry operators who implement ISO 55000 mitigate risks and liability, demonstrating they are exercising due diligence and care.

The business benefits of connecting physical and information assets

- with risk-based, whole lifecycle asset management are increasingly proven around the world. They include:

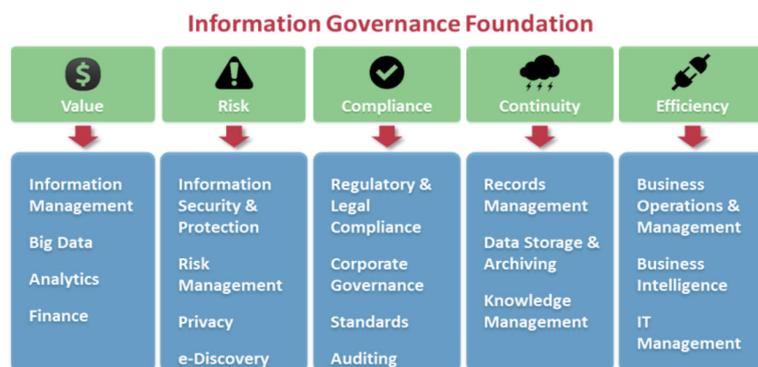
- Alignment of processes, resources and functional contributions instead of departmental silos and competing, short-term priorities
- Creating a transparent audit trail for what is done, when and why, ensuring accountability
- Better understanding and use of data and information for informed and consistent decision-making
- Improved planning, especially for capital expenditure
- Consistent, prioritised and auditable risk management
- Alignment and co-ordination of existing initiatives, including competency development
- Greater workforce engagement, including leadership, communications and cross-disciplinary teamwork

Information Governance provides a foundation for ISO 55000

– according to the Information Governance Initiative (<http://www.iginitiative.com>) IG is “the activities and technologies that organizations employ to maximize the value of their information while minimizing associated risks and costs.”

The difference between traditional disciplines dealing with Information Management (IM) and IG, is that the former look at ‘how’ information is managed, the latter ‘why’ – the answers to which go to the heart of the business purpose and stakeholder interests. It is better to see IG as the umbrella concept under which IM (Enterprise Information Management, Records Management, Knowledge Management, and Business Intelligence etc.) exists.

Compliance with the ISO 55000 standard makes good business sense when built on an Information Governance Foundation and if seen as an opportunity not a burden, can deliver value beyond ticking the boxes and mitigating the risk. A program of work need not be overly onerous and if you focus on a specific problem, you can see progress immediately – and like Caterpillar, respond positively to industry disruption.



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About Astral Consulting

A leader in Information Management since 2000, Astral is an organisation highly regarded for its knowledge, advice and independence.

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