

## **Griffin To Speak At Saama Conference On Iso 55000 On The African Continent**

Dean Griffin, who has more than 28 years experience in physical asset management, will be one of speakers at this year's Southern African Asset Management Association (SAAMA) Conference, which takes place from 12 to 14 May at the CTICC in Cape Town.

Griffin is of the opinion that with the publication of the new ISO 55000 standard for asset management systems in January 2014, a new era has dawned in the discipline that is called physical asset management. His presentation will look at the intent of the standard and how practitioners need to use it in a Southern Africa environment so that they derive value from the asset base.

Says Griffin, Director at Gaussian Engineering: "Physical asset management has to date been a relatively unknown and unrecognised function within industry. It's often confused with maintenance and doesn't really have a defined place. The fact that there is now an internationally aligned standard on asset management allows it to be discussed at board level within organisations. It also sets a bar on what is 'good' and what is not when managing and operating assets."

The newly introduced ISO 55000 is part of the management system standards that focus on quality within organisations. It is in the same suite as ISO 9001 and 14001. Griffin continues: "ISO 55000 was developed based on the new guide 83 principles and is the first standard to be issued following the

‘fast track’ methodology. ISO 55001 will be the standard against which organisations can demonstrate to stakeholders that they’re responsible in their approach to managing the assets. It focuses on whole life management rather than short term asset sweating.”

According to Griffin, a change like this will take time to bubble to a point of difference. “In Southern Africa, there is little known about the standard or what it is intended to achieve. I believe that if the Public Sector look to adopt this within the Metro and Municipal arena it will mandate a level of care. If we’re to build a sustainable future within Africa, then it needs to be based on sound principles and standards. ISO 55000 as a suite of 3 elements represents the best attempt so far to create an internationally aligned guide to what needs to be in place to manage assets responsibly. In Europe and Australia, the regulatory bodies as well as insurers are looking at the standard to ensure that infrastructure is fit for stakeholder requirements. This means that future demand must be accounted for, planned and put in place ready for the day it’s required. The load shedding of today’s reality will hopefully be something that doesn’t happen in the future.”

Griffin believes the standard will create a platform for organisations to derive value from their asset base. “The standard makes the organisation look at its purpose, core business, stakeholder requirements and objectives and then translate this into the operation and management of the asset base. Effectively it makes the organisation asset centric and focused on value creation rather than value stripping.

“The standard has 7 parts. **Organisational Context** ensures that the environment within which the company or organisation exists is known and understood. It also demands the identification of stakeholders, not only shareholders. Then there is **Leadership**. This clearly places the responsibility of asset performance and accountability at the highest level of the organisation. We’ve seen in recent international cases that the C suite are being fined or even imprisoned for neglecting this responsibility. **Planning** is next and looks at the asset management plans put in place to meet the objectives as well as addressing the risks. **Support** looks at the supporting elements such as resourcing, competence and communication, as well as information management. **Operation** is the element that addresses the day-to-day operations of the assets, the contracting or outsourcing elements and also how change is managed. **Performance evaluation** looks at the monitoring and reporting elements, as well as internal audit requirements and the management review process. Lastly, but not less important, is the **Improvement area**. Obviously the management system is a learning system, and ISO 55000 like PAS 55 insists on continuous and continual improvement.”

Griffin reckons the take up of the standard will be rather cautious initially like it was with PAS 55. “However, the momentum created by pulling over 40 countries together to create a standard that everyone aligns to has generated a lot more focus. In some countries the launch of the standard has been greeted by senior government ministers or company CEO’s, not to mention asset management practitioners. The biggest challenge will be to keep the standard true to its intent

rather than going the way of ISO 9001. 9001 has become a compliance standard and the ISO 55000 suite is intended for performance.”

SAAMA will host its inaugural physical asset management conference from 12 to 14 May at the CTICC in Cape Town.