

Foreword

Every organisation needs to manage its physical assets – buildings, plant and equipment, to ensure that it can continue to produce its goods and services in a reliable and cost effective manner. Sound management of such physical assets is an essential part of the organisation's function. Asset management has conventionally dealt with the management of these physical assets over their life cycle, from design and procurement, to installation, commissioning, ongoing monitoring and maintenance, to decommissioning, salvage and disposal. Systems, processes, databases and other forms of technology have been the conventional tools of asset management.



Organisations have tended to set key objectives and performance indicators based on the reliability and availability of their physical assets, to enable the delivery of their products and services to the market.

The authors of this book have identified that effective asset management is a value driver for any business and is a vitally important enabler for an organisation to meet its strategic objectives, make the best use of its resources and ultimately deliver value to its shareholders.

In my work as a chemical engineer, specialising in process safety on large refineries, chemical and petrochemical plants and liquefied natural gas facilities, I know firsthand the importance of asset management in ensuring the availability and reliability of systems, especially with respect to high value assets and safety critical systems.

However, this book is different. The ideas presented in this book represent a paradigm shift in thinking about asset management. Rather than the traditional approach of focusing on plant and equipment, systems and processes, this book focuses on people and the need for good leadership and strategies for developing a high performance culture which ensures excellence in asset management.

The tree is used as a powerful symbol to demonstrate that asset management is dynamic and must be responsive to a changing business environment. It also shows the value of intangible elements such as leadership, culture and communications, as well as the conventional technology tools and systems that are vital “nutrients” to build a healthy root system that is the foundation of a healthy “tree” that is effective asset management and bears the “fruits” of safety, reliability and shareholder returns.

I would like to congratulate the Associação Brasileira de manutenção e gestão de ativos (Abraman, Brazil) and the Asset Management Council (Australia), and the authors of this excellent book – who represent these organisations – João Lafraia and John Hardwick. This book is the culmination of collaboration between leaders in asset

management in Brazil and Australia, demonstrating that the principles of developing an effective asset management culture are universal.

This book raises the profile and importance of asset management and correctly positions it as being crucial to an organisation's success. I encourage leaders of all types of organisations to undertake the journey described in the book to develop world class asset management that can create lasting value.

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