Too often organisations implement an EAM (Enterpise Asset Management) system and find the benefits claimed in the original business case are not delivered. In many cases the performance of the maintenance department may have regressed whilst dealing with the aftermath post implementation. Significant resource is often required to bridge the gaps in processes, resource requirements or system functionality that can appear. So what is it that goes wrong and how can the true potential of the EAM system potential be unlocked?

UNLOCKING THE TRUE POTENTIAL of your EAM system

Why is an EAM needed?
Fundamental to the objectives of any Asset Manager is the basic requirement to optimise the level of investment of its assets to yield the maximum value at the optimum sustainable cost. To be effective in delivering this objective requires a sound understanding of the business drivers and context in which they operate.

Faced with this task, effective measurement systems are necessary to manage the asset base, associated work and costs and to track improvement progress.

In recent years there has been a shift in many organisations from purely maintenance focussed to a broader ranging asset management remit. Many organisations are aspiring to be less reactive and more proactive to avoid the direct and indirect losses of unplanned failures of its assets. The more developed organisations now consider the "Total Life Cycle" costs of ownership, and are taking a longer term view of their assets planning ahead to ensure continued business performance . They are relying on the collection and reporting of timely and accurate asset performance data to make critical and best value decisions about their assets.

This whole life approach can maximise benefit by reducing both capital and revenue expenditure and increase the return on the investments made by managing the asset base more effectively with one set of numbers that is easily transferable from one function to another.

The EAM is the link between the asset management strategy, the processes and competencies employed and the people who use the system. This framework surely should provide the perfect vehicle for maintaining assets proactively but too often this is not the case with one or more of these essential elements failing to deliver.

Why do organisations invest so heavily in implementation of EAM systems?
The decision to Investment in a new or upgraded EAM system requires consideration to a broad range of internal and external factors and as investment can be significant securing of funding generally requires a sound business case to justify the expenditure.

Typically, improved equipment effectiveness, efficiencies in resource and material management, improved cost

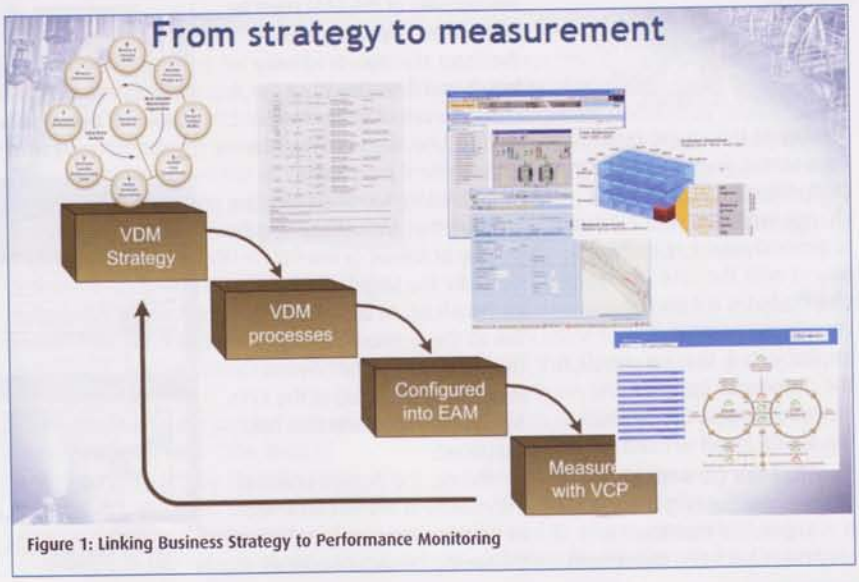

Figure 1: Linking Business Strategy to Performance Monitoring

control and EHS performance to name a few may well be quoted as quantifiable benefits associated with implementation of the system.

Implementation of a new EAM system can be both daunting and a resource hungry activity, especially if there is a need to gather or cleanse extensive data of plant, equipment and inventory and revise inadequate legacy maintenance plans.

The desire to implement an EAM system may be driven by a number of factors:

- Legacy system(s) are unsupported and/or holding back progress.
- A new system will ensure the organisation will be able to implement a real continuous improvement programme.
- The last auditor said we need a new system.
- A system is required that is common to all functions.
- All our major competitors have one.
- Common ways of working and systems are required across the company.
- Improved data management is required to meet regulatory or statutory requirements.
- A need to control or reduce costs.
- Asset and maintenance performance is below required standards.

Any of this sound familiar? I am sure it does and with such compelling requirements to change why not! Well the truth is generally there is nothing wrong with the case for change but it is how the change programme is implemented, that can result in the disconnect between the identified improvements and the ability to deliver real value.

So what can go wrong?

When implementing a new EAM it is imperative that there is alignment between the system configuration the business processes and the people that are to use the system.

Frequently, the system is configured and licences provided based on organisational structures that are not sustainable or around poorly developed processes. System operating blueprints may well be developed based on known ways of working and are difficult to adapt to necessary changes in organisation or processes due to changes in business priorities or as the competency of the organisation develops.

Hence at 'go live', there is often misalignment between required ways of working and those developed during the implementation phase. This manifests itself with staff either unable or unwilling to operate the system due to organisational, cultural, financial or operational constraints.

Thus, the quality of data collected is often incomplete or inaccurate making effective decision making difficult. Even if the data is collected effectively, utilising it to drive an improvement agenda can be problematic. Often KPI's are not clearly defined and understood and reporting functionality is not efficient.

The reporting and analysis functionality of the EAM must be efficient and dynamic to allow the Asset Manager to identify trends and deviation from desired levels of performance and be proactive in driving the improvement programme. Unfortunately, too often KPI's are selected that are not appropriate by way of format or level of detail for the target audience to be beneficial. At senior level the link to the Business Strategy may also not be that obvious resulting in the value of the KPI's being challenged and thus not supported.

Hence, the desired levels of improvement are not achieved or resource remains focussed on the wrong business priorities.

So how can you unlock the Potential of your EAM system?

The Value Driven Maintenance (VDM) methodology is prescribed in the renowned "New faith in maintenance" book and is increasingly being used by organisations to benchmark performance to derive the improvement agenda and quantify its value.

The VDM control panel is increasing becoming the standard for EAM and CMMS KPI reporting and performance monitoring. The control panel provides the link between the strategy, processes and performance. It provides a standardised range of proven KPI's and processes linked to clearly defined competencies that support the development of a valuable and professional maintenance organisation. This will enable an organisation to benchmark internally and externally performance in a reliable and consistent way.

However, to drive improvement at a local level an extensive range of drill downs are made available to explain the value of the KPI and to support further detailed analysis. The drill downs discharge into a portal in which all related Performance Indicators (PI's) and their trends are visualised. This efficient and dynamic monitoring of performance allows the maintenance manager to truly unlock the potential of the EAM with information that will support effective decision making at the right level and at the right time.

Conclusion

EAM systems can provide significant business benefit, but the IT system must be aligned with the processes and people. If true potential is to be unlocked data gathered must be accurate and timely and support KPI's that can be efficiently reported to the right people at the right time and that are aligned to the business strategy.

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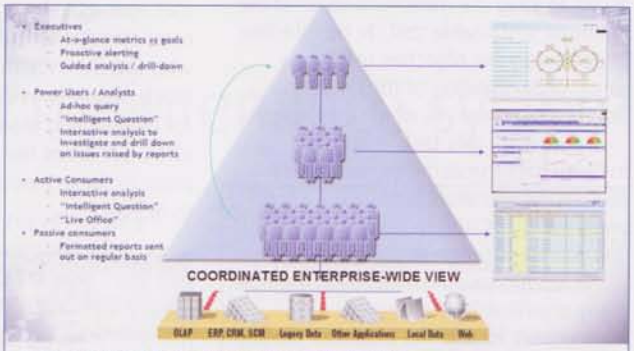

Figure 2: Right, information, right people, right time

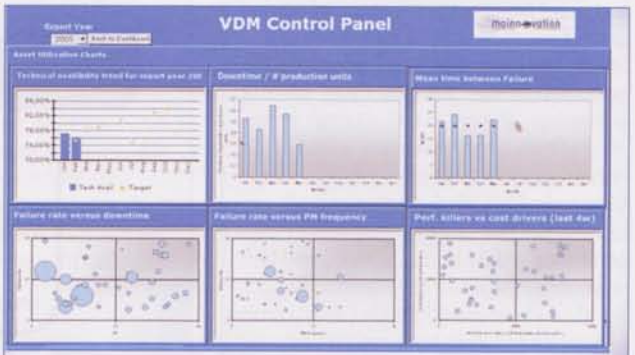

Figure 3: Example - Drill down to drive improved Asset Utilisation performance