

the professional body for
through-life management of physical assets



An Asset Management Experience

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Chair IAM NxtGen Committee

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Anglian Water

Risk, Opportunity & Value and
Asset Management System Manager

Institute of Asset Management

Chair - NxtGen Committee



Institute of Asset
Management



NxtGen



NxtGen (Affiliate “free” membership level)

A forum for those new to Asset Management to learn, share and network

- Free events such as Talk from The Top and socials
- Free and open to all

NxtGen (Student or Associate “paying” membership level)

Offers enhanced products and services to those committed to developing their asset management careers

- **Site Visits** (site visits to observe asset management in action)
- **Workshops** (regular insightful, educational workshops)
- **Contribution Opportunities** (become a part of IAM committees)
- **Qualification support** (revision sessions for IAM exams)

And more!



theIAM.org/NxtGen

An Asset Management experience



What IS asset management?

Deliberate
Thought about
Joined up

“**Coordinated** activity of an organisation to
realise **value** from assets”

Helps to deliver
the objectives of
the business

What does this mean?



Let's try it out

Asset Management Leaders needed!



An Asset Management experience

The purpose of your organisation is to throw paper balls in a bin! (see it as 'delivering' a service)



The Brief

- You have **2 balls** (assets) to start with
- The objective is to get your assets to perform (by **throwing them in a bin**)
- You can **buy new balls** for £15

Depending where you throw the ball from – you will get a different score
(if you get it in the bin)



You have ten minutes (roughly) to come up with a plan.

But there are some constraints

- You are only allowed to spend a **maximum of £45**
- The customer wants **maximum profit**
- The customer expects at least **3 balls in the bin**

The **winner** is the team that meets customer expectations whilst delivering the most profit to shareholders

The Brief

- You have **2 balls** (assets) to start with
- The objective is to get your assets to perform (by **throwing them in a bin**)
- You can **buy new balls** for £15

Depending where you throw the ball from – you **will earn a return**
(if you get it in the bin)



But there are constraints...

- The regulator will only allow you to spend a **maximum of £45**
- The shareholder wants **maximum profit**
- The customer expects at least **3 balls in the bin**

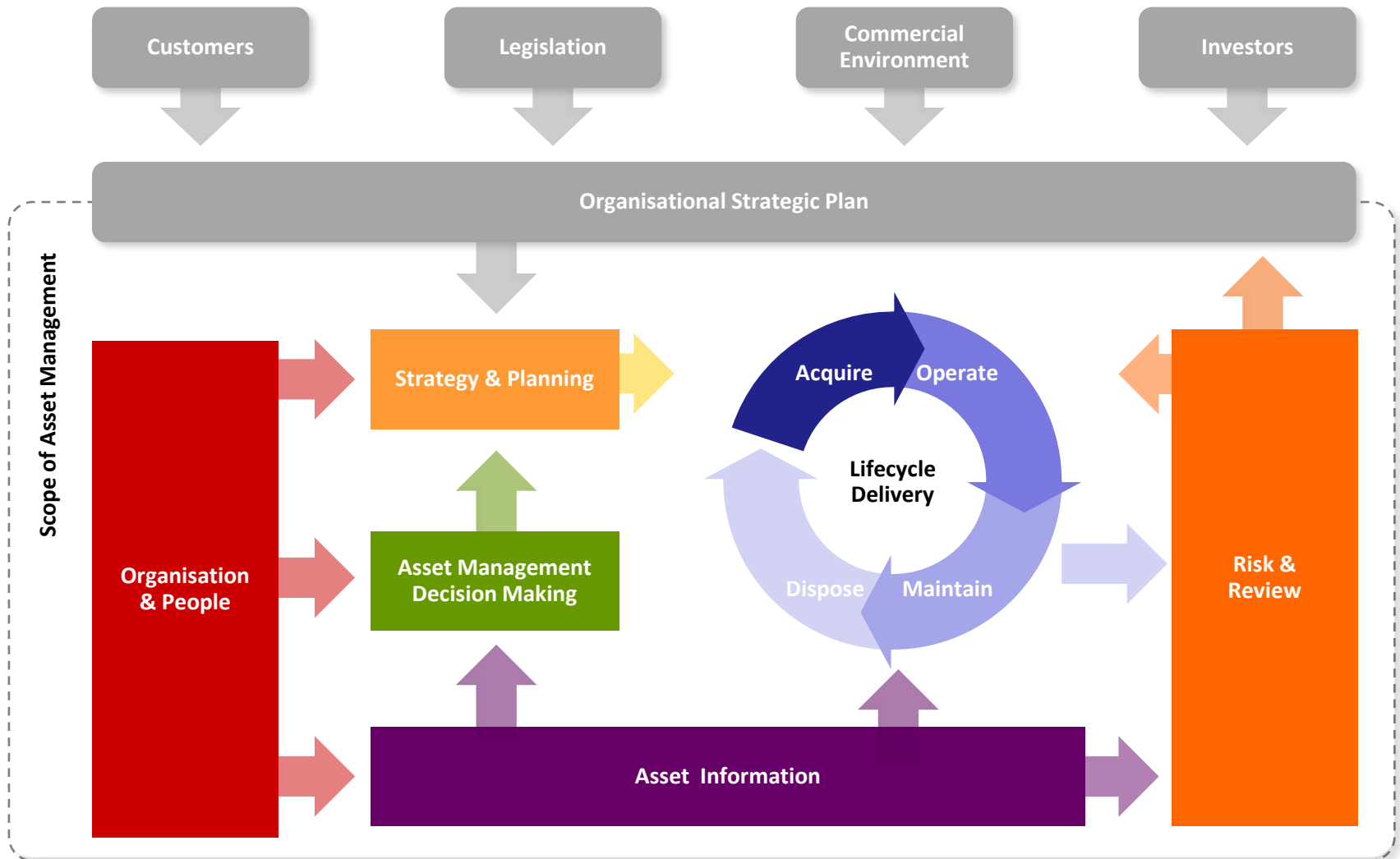
The **winner** is the team that meets customer expectations whilst delivering the most profit to shareholders

So...

What's this got to do with asset
management?



Asset Management Conceptual Model



Asset Management Conceptual Model

3 balls in the bin
maximum profit
maximum £45 spend

Customers Legislation Commercial Environment Investors

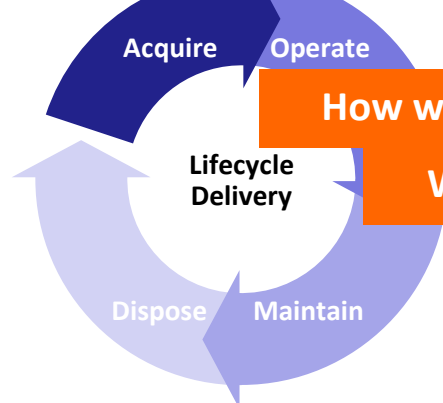
meets customer expectations whilst delivering the most profit to shareholders

Organisational Strategic Plan

What's the specific plan?
What's the strategy?

How will we operate them?
How will we acquire new assets?

Strategy & Planning



How will we review and improve?
What's our appetite to risk?

What criteria will we use?
How will we make decisions?

Asset Management Decision Making

Risk & Review

Organisation & People
Are our people competent?
Should we outsource any activities?

Asset Information
What asset information do we have?
What do we need?

Asset Management

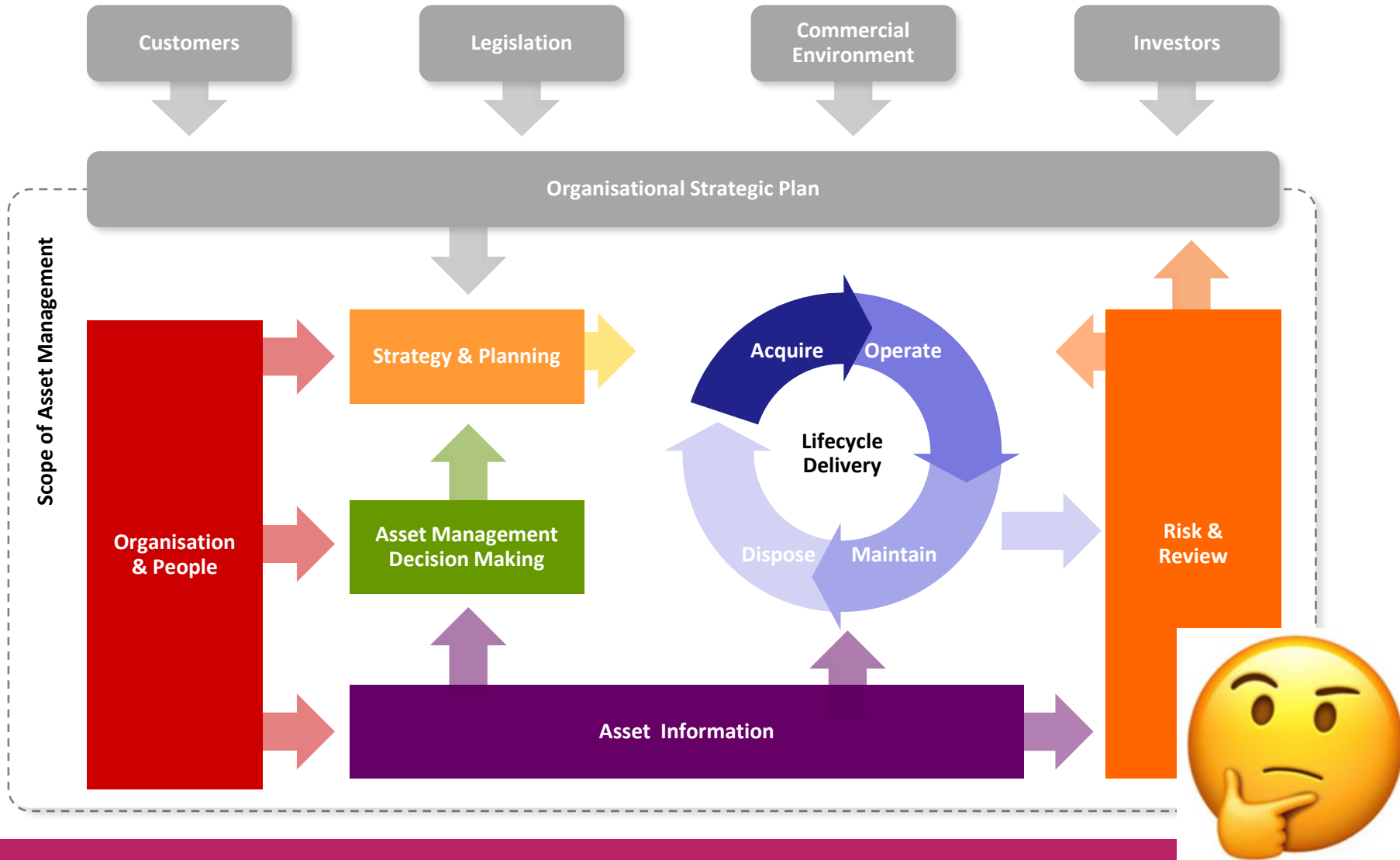
“Delivery”

Team One...				Team One...				Team One...			
	Cust	Income	Spend		Cust	Income	Spend		Cust	Income	Spend
Ball 1				Ball 1				Ball 1			
Ball 2				Ball 2				Ball 2			
Ball 3				Ball 3				Ball 3			
Ball 4				Ball 4				Ball 4			
Ball 5				Ball 5				Ball 5			
Totals				Totals				Totals			
Cust Met?		Profit:		Cust Met?		Profit:		Cust Met?		Profit:	

And the winner is...



What have we learned about Asset Management?



More info?



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