

Introduction in order  
to satisfy these  
needs,

[Business](#), [Management](#)



Introduction Every organisation requires its assets to achieve its objectives and deliver its plan. One of the greatest challenges has been an increasing needs and expectations from regulators, customers and stakeholders. In order to satisfy these needs, an effective control and governance of assets need to be implemented. In the recent years, many organisations have begun to realise the significance of asset management as an enterprise strategy that, if properly implemented, will improve financial performance of an organisation. Since the introduction of International Standard PAS 55 in 2008 and ISO 55001 later in 2014, many organisations in various industries have adopted these sophisticated approaches to asset management.

As an asset-intensive company, the function of asset management permeates many areas of the Jemena business. Jemena recognised the need to put in place a standard and consistent framework to promote good asset management practice in the facilities management business in order to retain the business with existing clients as well as secure new business. Moreover, assets being the core component in the business, the discipline of asset management is an enabler for the business to realise a value through managing risk and opportunity, in order to achieve the desired return from the asset portfolio. What is Asset Management Asset Management is the coordinated activity Jemena undertakes to realise value from assets.

It involves the balancing of costs, opportunities and risks against performance of assets to achieve Jemena's Business Plan. Benefits of having effective asset management There are a number of compelling benefits for having the right asset management system. With effective asset management, alignment of processes, resources and functional contributions

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are promoted, creating a transparent audit trail for what is done, when and why.

Thus, allowing an organisation to direct, coordinate, control and monitor asset management activities at different levels throughout an asset's whole life. Optimised asset management also boosts workforce engagement. This includes leadership, communications and cross-disciplinary teamwork. Most importantly, it enables an organisation to achieve its objectives sustainably over time and ultimately maximises value-for-money and satisfaction of stakeholders' expectations. To summarise, an asset management system is a great tool for deriving value from the assets, streamlining processes involved, and achieving business excellence. China Light & Power or CLP is one of the largest investor-owned power businesses in Asia Pacific. Its operation includes generation, transmission and distribution, and retail. For over a decade, CLP has been following a structured plan of coordinated improvements in asset management, achieving PAS55 accreditation in 2007 and 2010.

The impact of integral AM was measured in 2011: 90% reduction in system losses, while meeting a 20% growth in demand, expanding its asset base by 25% and, simultaneously, reducing customer charging tariffs by 40%. Similarly, Sodexo, a facility management company, has also claimed that an asset management approach is very efficient. At the time that Sodexo obtained an ISO 55001 accreditation in 2015, it was observed that:

- Improved control of day-to-day activities and business efficiencies – 7-8% average improvement
- 40% reduction of risk-related costs
- 100%

compliance in regulatory activities • Reduced failure rates – 20% In support of the importance of the discipline of asset management, a British specification for good asset management, PAS 55, was first developed in 2004 with global input from many different industries. PAS 55 outlined the requirements of an AMS in order to support the achievement of organisational objectives.

In January 2014, the international standard, ISO 55001 Asset Management was launched and has now replaced PAS 55. ISO 55001 ISO 55001 Asset Management is the latest international best practice in the management of physical asset, outlining specific requirements of an AMS. It describes the benefits of adopting the standards: "... enables an organization to achieve its objectives through the effective and efficient management of its assets. The application of an asset management system provides assurance that these objectives can be achieved consistently and sustainably over time.

" Why Certification? A major focus of Jemena's strategy is investment in its infrastructure, maintaining and upgrading its physical assets to assist in the provision of gas and electricity. An ISO 55001 certification will be excellent indication that Jemena has achieved a high degree of professionalism in the optimised asset management, committing to produce high quality products safely, efficiently and sustainably. To be ISO 55001 certified, Jemena must be able to: demonstrate we understand the environment in which we operate; understand what customers and stakeholders require from us; show how we deliver on their requirements; and show how we report back. Being able to demonstrate these abilities will provide confidence to the customers that Jemena is managing its assets efficiently to ensure the certainty of

supply, quality and charges. It will also serve as an assurance to the regulators that Jemena is committed to doing its best to achieve optimal value from its assets in order to keep the average household bills reasonable.