



# TC251

Newsletter for the TC251 Community • July 2019

## ISO/TC251: Results of the Nanjing Meeting



The 7<sup>th</sup> Meeting was held in Nanjing – China, from 5<sup>th</sup> to 10<sup>th</sup> May 2019.

The TC251 continues to grow and now has 32 Participating Members, 15 Observing Members and 29 liaisons.

This Committee has five main workgroups that are developing various aspects of the ISO 55000 series of standards:

WG3 – Communications

WG4 – Product Improvement

WG5 – Finance

WG6 – Preparation for the next revision of ISO 55001

WG7 – Development of ISO 55011

These workgroups have achieved the following in Nanjing:

### WG3 – Communications

WG3 is developing a long-term communications plan for TC251. The purpose of the plan is to identify the key stakeholders and the messages to communicate to them over the coming years. A short survey has been developed to collect the feedback, and a new communication strategy is being prepared.

- A “Welcome Kit” for new experts to TC251 is nearly finished and will soon be available on our website;
- A Flyer, Press Release, Slide Deck, and the relevant Communication Support Material for the new Technical Specification 55010 has been discussed and structured. All this material will be available at the time of 55010 publication;



- New improvements for the website have been discussed and will be implemented.

#### **WG4 – Product Improvement**

In Nanjing, WG4 continued to provide support to the TC251 team. WG4 activities predominantly focussed on delivering Product Improvement facilitation which has enabled ideas to be collated and presented to the CAG in order to better plan and execute work in line with TC251 business plan. Support was also provided with the Terminology & Definitions for WG5 & WG7, updating of the Knowledge Base, developing guidance on the provision of Case Studies and the development of a Survey for Asset Management Instructors.

Resolve responses on all of the 156 comments received as part of the ballot process and updated the document TS 55010 ready for final editing and publication.

#### **WG5 – Finance**

WG5 is scoping work of how TC251 should address asset registers (in conjunction with another project in WG6 on Information Management).

Worked with WG3 on preparing material for marketing and promotion of the new ISO/TS 55010 when published.

Produced a video interview on the benefits of 55010 for marketing.

#### **WG6 – Revision of ISO55001**

WG6 considered eight topics concerning the revision of ISO's Annex SL "High Level Structure" (HLS) for management system standards and brainstormed ideas about them.

Considered the HLS definition of "risk" in detail, as well as a response on behalf of TC251 to an enquiry by the ISO/TMB/TAG13 Joint Technical Coordination Group (JTCG)/TF14.

Proposed several new projects to WG4 for review and planned how to progress the projects assigned to it by the CAG.

Launched an enquiry to all TC251 experts for their ideas on revising ISO 55001, as the first step in a structured approach to compiling new issues for inclusion in the next revision of ISO 55001

#### **WG7 – ISO55011**

WG7 is charged with leading the development of ISO 55011 - Guidelines for public policy makers. It is intended to be a guidance standard for public policy makers aimed to improve the enabling environment for asset management implementation.

Since the ISO/TC251 meeting in Amersfoort, WG7 released ISO/CD 55011.2 for ballot and comment. The ballot closed in January 2019 and resulted in approval for the work to move forward. WG7 held two meetings since the ballot to review and address the 278 comments received by 11 countries. Nanjing marked the

second meeting for WG7 meeting in 2019, following a productive meeting in Lisbon in February. In Nanjing, WG7 identified 20 key public policy elements drawing upon international case studies and best practices, and how each public policy element can contribute to fostering an environment for improved asset management. Consensus was achieved on clarified direction of the overall scope, target audience, and clauses in preparation for revisions to the current Committee Draft and future Draft International Standard.

**After this meeting in China, the 8<sup>th</sup> ISO Meeting will be held in Quito, Ecuador from 11<sup>th</sup> to 15<sup>th</sup> November 2019.**

Read more about TC251's recent work in the ISO Communiqué: [committee.iso.org/sites/tc251/home/news.html](https://committee.iso.org/sites/tc251/home/news.html)

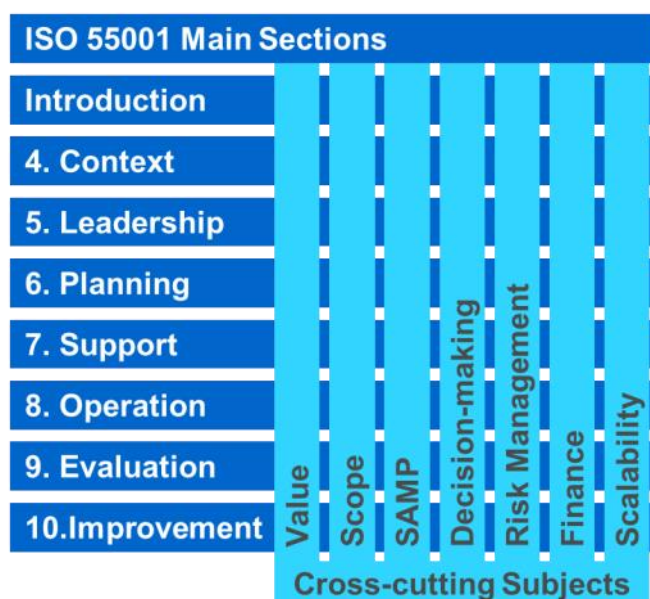
## ISO has launched the new ISO 55002:2018



*Geneva, November 18, 2018* – The new edition of ISO 55002 was officially launched by ISO/TC251, ISO's technical committee on asset management responsible for the ISO 55000 series of standards. A pivotal part of the series, ISO 55002 offers guidance for the application of an asset management system in accordance with ISO 55001. Based on feedback and experience from early adopters of the standard, this important revision includes expanded detailed guidance for every clause of the 55001 requirements (which in itself have not changed) and clarification of the contribution of each requirement to the four 'fundamentals' of asset management: Value, Alignment, Leadership and Assurance.

It also describes how to apply the requirements of ISO 55001 to the deployment of an asset management system and includes great hints on how to address key cross-cutting subjects within the standard including "value", risk management, decision-making, finance and the development of a Strategic Asset Management Plan, as depicted in the figure on the next page. In particular it helps finding the right approach to scale the scope and requirements of ISO 55001 to organizations of any size, type and complexity.

First published in 2014, the ISO 55000 suite includes three standards whose relevance and popularity have been illustrated many times over. Of the series' success, ISO/TC251 chairman Mr. Rhys Davies commented that ISO 55000 explains "why" an organization needs an asset management system, ISO 55001 covers "what" it needs to do to conform to the standard, and ISO 55002 offers guidance on "how" to comply with the standard's requirements. He believes the ISO 55002 update will significantly advance the adoption of this management system around the world.



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We have been working in two of our working groups on both a Technical Specification and another International Standard.

WG5 has been working on the development of ISO 55010 on aligning financial and non-financial elements of asset management. This is a fairly mature piece of work and we recently sent this out to NSBs as a Draft Technical Specification (DTS) for review. This work is scheduled to complete during 2019 when ISO 55010 is published.

WG7 has been working on the development of ISO 55011 on setting government policy for Asset Management. This is an emerging piece of work that is starting to crystallize and is scheduled for publication in late 2019 or 2020.

### **Contributing to the Revision of Annex SL and the HLS**

Now that ISO 55002 is published, WG6 has been repurposed to (amongst other things) contribute to the revision of Annex SL and the HLS. We have selected a small team to actively participate in JTCG/TF14 meetings over the next 2-3 years to ensure that we contribute actively to the revision of the HLS. WG6 will support that core team and also prepare for a potential future revision of our ISO 55001 document which is based upon the HLS. This will involve WG liaising with the good work on compiling comments and feedback from the marketplace by WG4 to ensure we contribute from a position of knowledge.

### **Looking at new areas of standardization work**

It has been almost four years since we reformed as a Technical Committee and published our strategic business plan. ISO 55001 is now published and ISO 55010 close to publication. With the revision of Annex SL and the lessons we have learned from our market feedback and the work on developing ISO 55002 we have a long list of activities that we could use to inform our future work.

It is time to re-visit our Strategy Business Plan (SBP) in advance of our next meeting in Nanjing, China (May 2019). The Secretariat with the aid of the Chair's Advisory Group plan to redraft our SBP for a detailed review at our next meeting and this will take the long list of ideas for future work and apply the process that WG4 has developed to ensure our work items fit with our long term vision, and form a shortlist of potential work items for consideration. Some of these will be simple and quick items like the development of content for our website or short articles. Others may be more involved and need to be taken through the formal NWIP process and seek the approval of our member NSBs if they will result in formal standards. Either way, we know it is time to start to look forward and redevelop our SBP.

### **Summary**

We have been successful in delivering those items already in our SBP and are on track with others. Now is the time to revisit that vision of the future in our SBP and lay out a future work program so we can start to plan for this beyond our meeting in mid-2019. So, keep an eye out for our revised SBP later this year and if you want to engage in our work then follow this [link](#).

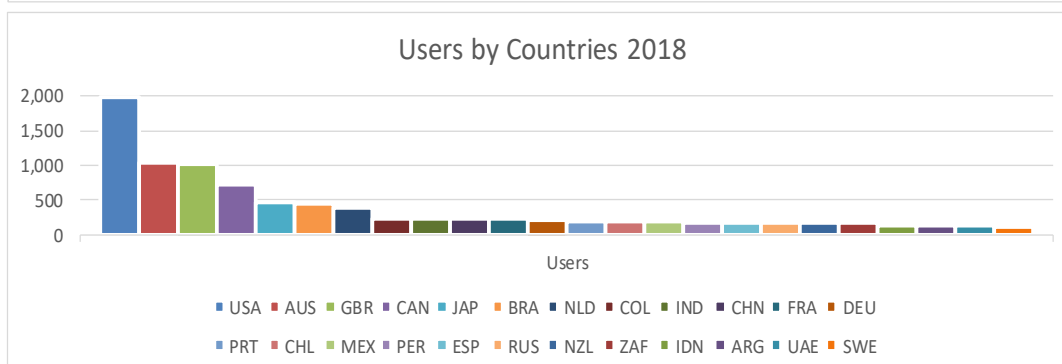
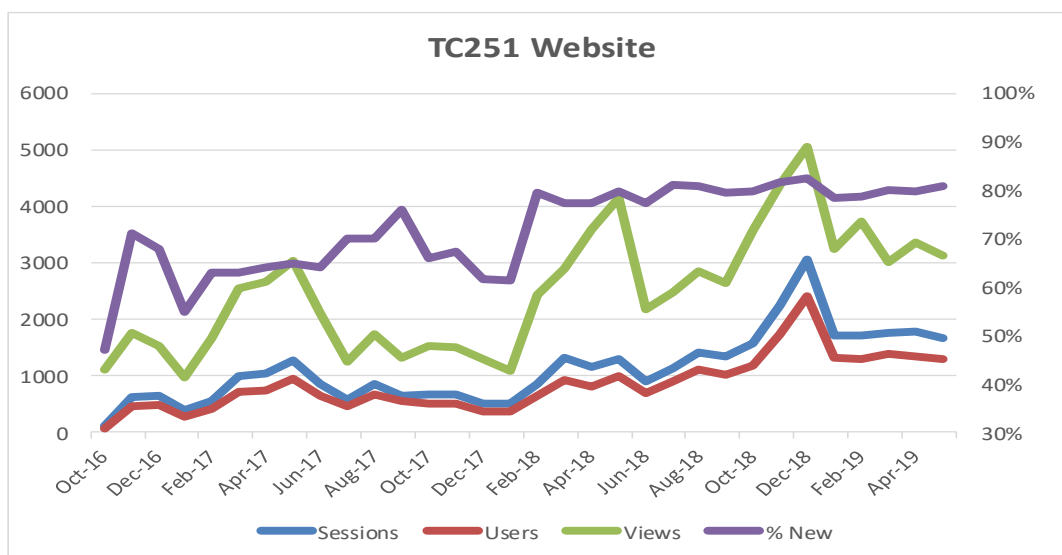
## TC251 Website: a Key Source of Information



The TC251 website [committee.iso.org/tc251](https://committee.iso.org/tc251) is our main communication vehicle with the wider asset management community. Recently we have updated the home page to support the launch of ISO 55002:2018 and to put more focus on the benefits of asset management systems. The website is work in progress and your ideas are always welcome. Important sections of the website where we need your input are:

- The **Publications** page: contains all free publications by TC251 – often in multiple languages. If your NSB wants to translate one or more of these publications, please contact [eadell@iframi.fr](mailto:eadell@iframi.fr) for details.
- The **Known Certified Organizations** page: the list of known organizations that have certified to ISO 55001 keeps growing and is one of the most visited pages on our website. We now have well over 200 organizations in our database. If you know of an organization that is certified but not on our list, please have them contact [submissions@iso55000.org](mailto:submissions@iso55000.org) with proof of certification (ideally, a PDF copy of their certificate).
- The **Case Studies** page contains success stories of certified organizations. We're always keen to hear of more organizations. If you know of an organization that's interested in being featured in a case study, please contact [ISO-Communications@iso55000.org](mailto:ISO-Communications@iso55000.org).

Traffic on our website keeps increasing – 2018 was roughly 90% higher than 2017. You will find the key statistics below. Please make sure to spread the word, we want our website to be a source of useful information to the asset management community worldwide.



## Case Study: Australia Government Symposium



In Australia the New South Wales and Victorian governments are in the midst of an infrastructure boom. With billions being spent on roads, tunnels and broader government infrastructure, the focus has shifted to the entire life of community assets not just upfront cost.

Gone are the days of standard design and construct contracts. Suppliers are being brought into early discussions to explore how to collectively achieve an acceptable balance of cost and risk based on real value addressing today's needs and a sustainable future.

At a recent Victorian Government Symposium for Asset Management, hosted by the Asset Management Council of Australia, representatives from governments around Australia met to share their approach to Asset Management, their maturity and how their frameworks are aligned to ISO 55001 which has become the expectation.

Both New South Wales and Victoria have established Asset Management interest groups to increase capability of their agencies and bring together learnings to share ideas on the value of Asset Management to achieve better outcomes for the community. The introduction of the revised ISO 55002 is a great opportunity to encourage those not yet on the Asset Management journey to utilise this publication to accelerate their improvement.

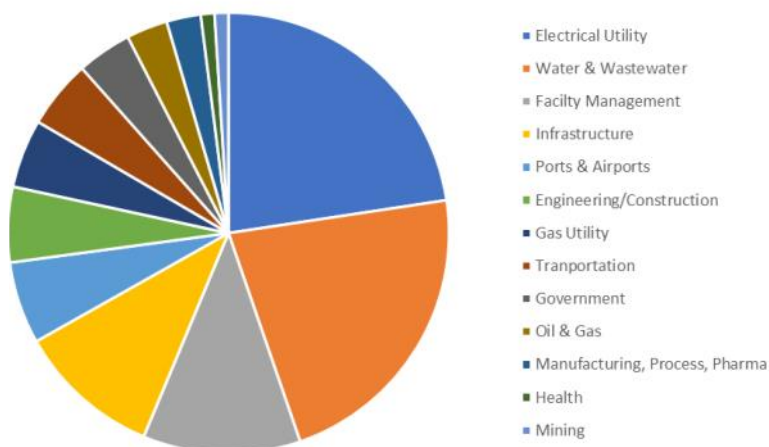
*Submitted by Martin Kerr, Managing Director, Structured Change Pty Ltd*

## Known Certified Organizations

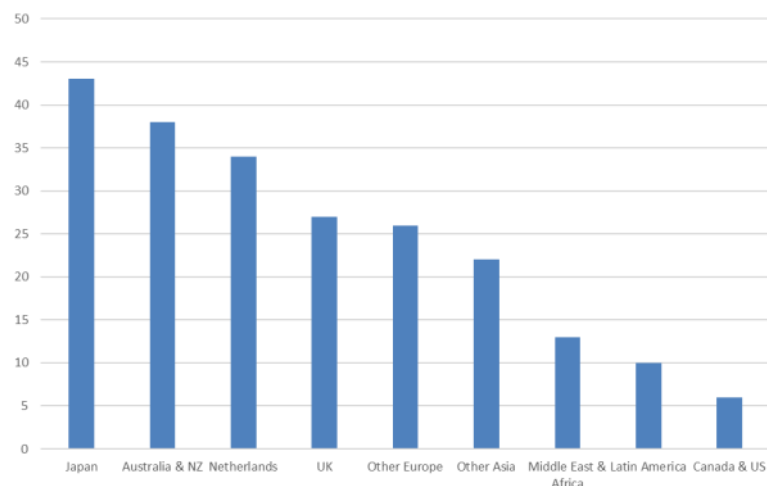
One of the challenges for TC251 is to measure its success. We have identified well over 200 certified organizations around the world (see stats below) but we suspect there are many more. We are interested in hearing from any organization that has certified to ISO 55001 or is complying with the standard. Our intent is to publish links to any publicly available information released by such organizations (press releases, case studies, success stories) on our committee's public website.

Please send any relevant information to [submissions@iso55000.org](mailto:submissions@iso55000.org).

Organizations per Sector



Known Certifications per Country/Region

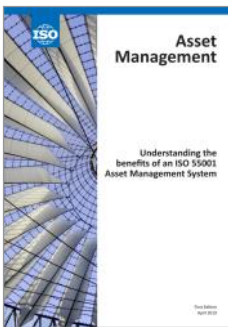


## Meet a TC251 Expert: The Duke



Vladimir Rostic is an experienced Project Manager in the information technology and services industries. The Communications WG3 of the new and acclaimed TC251 of which he is a key member (and resident chief photographer), refers to him as the “Duke” for his inspiring, determined resolve and competency. Combined with advanced, academic achievements (Peter the Great St. Petersburg Polytechnic University) and diverse relevant commercial experiences (from technology to business improvement and integration – reflected by interests in other professional organizations like: AMC, ALCM, AMP & IAMP/USA) his participation is notably valued. The Duke is enthused by new challenges and when not guitar playing or woodworking likes sailing and related activities.

## New WG4 Publication: The Benefits of an Asset Management System



Everyone is talking about ISO 55001 and the benefits it brings. ISO 55001 is a set of requirements for an Asset Management System. So what is an AMS? How does an AMS contribute to delivering good asset management and ultimately help you to derive value from your asset base?

Read the answers in WG4’s new publication “Understanding the benefits of an ISO 55001 Asset Management System” now available on TC251’s [website](#) in English, Chinese and Spanish. If you’re interested in helping translate this publication to another language please contact Edmea Adell at [eadell@iframi.fr](mailto:eadell@iframi.fr).

## An “Icebreaker” for Asset Management Discussions



### Asset Management Talking Points

Below is a list of questions that an Asset Management Ambassador could use in order to start a conversation with a representative from any entity (company/organization) that deals with physical or virtual assets and could benefit from a structured approach for the development, coordination and control of asset-related activities across their life cycle. The list of questions constitutes a guide, feel free to adapt the questions to your audience. Each question comes with a few hints on how to interpret the question.

**1. How do the leaders of your Asset Management team get informed about corporate goals?**

**What’s involved in making your department or individual objectives synchronize with those corporate ambitions?**

Departments having their own objectives could not reach the corporative objectives expected from an asset management system, because the individual objectives could compete with each other - example: maintenance & operations regarding asset availability.

**2. What is the dominant approach of your organization to ensure asset profitability?**

**Is it based on Risk, Cost, Performance (or otherwise systemic)?**

Asset Management is a systemic approach across the whole organization. It allows all the teams that work with (both machine and human) assets to act together in concert. Asset Management highlights the importance of establishing a balance between risk, cost and performance for all decision making.





**3. How does the management of your assets take the business strategy into account?**

Often the operational teams do not know about business strategy and implications – furthermore, they can have their own strategy that may be opposite or not aligned with the business strategy.

**4. Do you feel comfortable with the level of identification of critical assets and mitigation plans in your organization?**

The notion of asset criticality is very important for identifying which assets are critical in order to elaborate and develop the correct strategy plus formulating the decision criteria to manage them. Critical assets (whether tangible or intangible) require to be managed in a different way than non-critical assets.

**5. Does your company have an effective organizational structure that avoids conflicts/competition between different objectives and between functional areas?**

**Is real or perceived conflict resolution between different functional areas and objectives effective?**

**Can you share any (non-confidential) examples?**

Sometimes the organizational chart doesn't clearly designate the roles, responsibilities and authorities for each department and their relations; this common occurrence promotes otherwise avoidable collisions (like: between maintenance and operations).

**6. Does your organization coordinate asset management activities across all departments?**

Sometimes finance departments have insufficient appreciation of how physical assets are impacted by their decisions (e.g. procurement or HR) and the operational team has cursory information about the financial impacts of their asset decisions upon the organization.

**7. Are the operations and finance processes you currently use connected or well integrated with each other?**

**Who is (most) confident in the accuracy and timeliness of the information used for decision making?**

**For instance, will the CFO associate cost with depreciation and will the COO associate cost with remaining useful life – is there a balance?**

We observe that some data gathered have questionable to no credibility because they were not collected; validated; or documented in an accurate way; or there is no system of record.

**8. What are the decision-making criteria of your organization when making asset investments? (is it Decibel Management 😊)?**

Sometimes the decision-making criterium most used in organizations is the lowest cost alternative and does not take into account other inevitable costs that arise during the life cycle of the asset (e.g. not all OPEX dimensions are evaluated in the design or procurement phases).





**9. Has your organization encouraged multi-departmental input or shared common criteria, to collaborate on asset replacement or refurbishment?**

Without any methodology that identifies risk and costs for the two different options (or life extensions) it is impossible to take decisions that ensure long term value.

**10. What are your tips on determining an optimum level of spare parts?**

It is important to define the optimum level of your spare parts in order to avoid production stops or overstock and all associated costs.

**11. How can your purchasing department ensure achieving the organizational strategy while fulfilling multiple short-term objectives?**

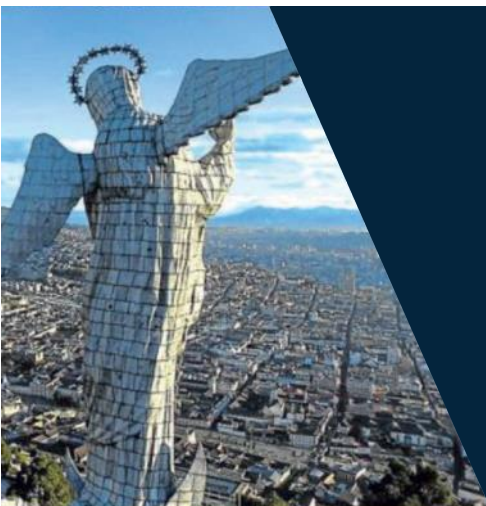
It has become typical to focus on reducing costs and increasing production output without keeping asset lifecycle costs and the organizational objectives front and center.

**12. How do you prioritize your investments?**

It's important to optimize investment decisions under everchanging and multiple constraints (financial, resources, risk tolerance, etc.). Need a methodology.

**ADDITIONAL POSSIBLE QUESTIONS**

- When would a physical asset be likely to fail if you were to cease maintenance today?
- When would a human or virtual asset be likely to underperform if neglected today?
- Where would spend your last hundred dollars?
- How long do you expect an asset to live under the current maintenance & operating levels?
- How much does one hour of production interruption cost (for real)?
- How much does it cost to spend 33% of your work day looking for asset related information (for real)?
- Has your organization developed a knowledge transfer succession plan for your human resources?



**SEE YOU AT THE NEXT  
TC251 PLENARY MEETING  
QUITO, ECUADOR  
11<sup>th</sup> to 15<sup>th</sup> November 2019**

Pre-register [here](#) and at <https://sd.iso.org/meetings/my>