



New South Wales
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TOTAL ASSET MANAGEMENT

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SNAPSHOT CAPABILITY REVIEW

1. About the Asset Management Capability Tool package

There are three basic components of the Asset Management Capability Tool:

This guide is the Snapshot Capability Review



1. The Snapshot Capability Review

This short guide is an abridged version of the full Tool. It leads agencies through a checklist of questions about their practices and outcomes. Using this guide, agencies can quickly assess their asset management capability, identify their strengths and weaknesses, and decide whether to conduct a full Capability Review.

2. The Guide to Conducting a Full Capability Review

This step-by-step guide shows agencies how to conduct a Capability Review using the Tool. The Capability Review is based on a detailed questionnaire and workshop approach, in which participants assess the organisation's practices and outcomes.

3. The Capability Review Report Kit

This kit provides a template for writing up the outcomes of the Capability Review. Agencies can enter numerical scores into the macros included for a quick performance indicator. The kit also has a template for writing up the full Capability Review Report and an Improvement Plan based on the outcomes.

2 Introduction

The Asset Management Capability Tool is designed for Government agencies to assess their level of asset management capability. The assessment process is called a Capability Review. Using a questionnaire and workshop approach, it requires the support of senior management and asset management staff, plus a time commitment from all involved.

If you're not sure whether your organisation needs a Capability Review, the Snapshot Capability Review is a good place to start. It provides a quick overview, or snapshot, of the agency's asset management capability and may help you decide if a full Review is needed.

3. Using the Snapshot Capability Review

This checklist describes the key criteria that should be in place for an organisation to achieve best practice in asset management (both simple and complex). It gives a quick assessment of your organisation's asset management capability and acts as a precursor to a full Capability Review using the Asset Management Capability Tool.

LEADERSHIP

Yes No

1. The organisation's Executive defines its asset management objectives in line with strategic business objectives.
2. Asset management has a clearly recognised role in the organisation and this is demonstrated by clear links between corporate planning documents and the organisation's asset management planning documents and policy.
3. Managers understand, follow and seek to improve asset management procedures.
4. Managers treat asset management and asset management staff as influential in the organisation's ability to better deliver services.
5. Managers with responsibility for asset management aim to develop their own asset management expertise and the expertise of their staff.

POLICY AND STRATEGY

Yes No

6. The organisation has a clearly communicated asset management policy including supporting strategies that are periodically reviewed and developed to include new Budget arrangements, management techniques and approaches for improved outcomes.
7. The organisation's asset management policy is consistent with NSW Government policy and includes ethical conduct, environmental, social and regional considerations.
8. The organisation has a culture of planning for investment in goods and services, capital works, staff, and IT resources (including preparing annual management plans for each).
9. When making asset management decisions, the latest corporate and service delivery planning information is taken into consideration, as is market information on products and service providers.
10. The organisation's policy stipulates that staff must use business case and risk assessment techniques for complex asset management. This includes undertaking key decision point reviews for high-risk projects.

PEOPLE

Yes No

11. The organisation attracts and retains people with asset management skills and experience.
12. Staff are competent in the key aspects of asset management. This includes asset management planning, tendering, tender evaluation, managing contracts and disposing of assets, particularly for complex asset management.
13. Training programs maintain and develop the skills and knowledge of staff with asset management responsibilities.
14. Staff with responsibility for complex asset management have attained specialist competency standards for asset management and contract management.
15. Asset management staff have clearly defined objectives and performance measures. They are given the freedom and support they need to work effectively.
16. Asset management staff monitor and respond to the needs of their stakeholders.
17. The organisation values asset management experience and such experience enhances the career paths of staff.

PARTNERSHIPS

Yes No

18. Asset management managers and staff develop and manage relationships with key services providers and with all stakeholders to get the best asset management outcomes.
19. The organisation pursues aggregation and other opportunities with other agencies to achieve savings.
20. The organisation pursues long-term, mutually beneficial relationships with service providers to get the best value services.

PROCESSES

Yes No

21. The organisation's asset management processes are described in detail in an asset management manual and the outcomes required are clearly defined.
22. The asset management manual sets out clear processes for asset planning, tendering, tender evaluation, contract management, asset leasing and asset disposal, particularly for complex asset management.
23. The organisation aims to improve the efficiency of its asset management processes. For example, it consults with stakeholders about its performance and introduces improvements to it such as use of new technologies and online project management tools.
24. Examples of good asset management practice are communicated throughout the organisation.
25. Business cases are prepared for each major, complex or strategic asset management, including key decision point reviews for high-risk projects.

CLIENT RESULTS

Yes No

26. Systems are in place to measure client satisfaction and the results are compared with the organisation's perception of its asset management services.
27. The organisation sets and monitors targets to improve client satisfaction.
28. The organisation has an effective complaints handling system and makes improvements to asset management processes in response to complaints.
29. The focus is on the client, and staff receive client service training

SOCIETY RESULTS

Yes No

30. The organisation measures the effect of its asset management activities on the local community to ensure that its impact is positive (eg providing business opportunities to small, regional and rural companies).
31. Health, safety and environmental risks are considered when deciding what to procure and during the asset management process.

KEY PERFORMANCE RESULTS

Yes No

- 32. Performance data on key asset management processes is produced and demonstrates that asset management activities are cost-effective and efficient, and that savings and other improvements are being achieved.
- 33. The organisation has indicators to predict future performance in key areas of asset management.
- 34. The organisation can demonstrate how asset management has affected its service delivery objectives.
- 35. Information about the organisation's asset management profile, including expenditure, practices and outcomes, is accessible and used to best effect.

How many of the above questions did you confidently answer "yes"? What evidence would you give to support your response?

What about those questions to which you answered "no"—what is the impact of this on your organisation?

If you didn't tick "yes" for most of the questions, or you could not provide supporting evidence, you should consider using the Asset management Capability Tool to carry out a full Capability Review.