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# ASSET MANAGEMENT SOLUTIONS

...WHEN MANAGING ASSETS IS CRITICAL TO YOUR BUSINESS

## Newsletter for April 2007

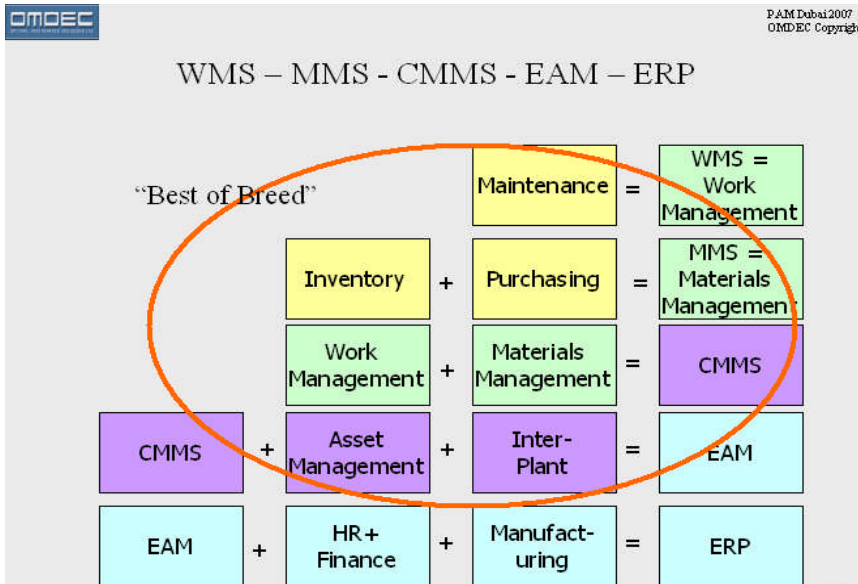
I appreciate receiving your comments on this newsletter and any suggestions for future topics. If there is someone you know who would be interested in receiving this newsletter, please feel free to forward the newsletters to them, or forward their e-mail address to me and I will include them in the distribution of future newsletters. If you wish to remove your name from distribution of this newsletter, please respond via e-mail. Please see "Contact Us" at bottom for e-mail address for feedback, comments and removal from distribution.

This month's newsletter is from Ben Stevens and is a result of a request I received regarding wanting more articles on CMMS / EAMS systems. Ben has been involved with CMMS / EAMS systems for longer than anyone else I know, and I am sure you will find the article insightful. This is the second of a series of articles that go back to the CMMS / EAMS basics. Ben can be reached at [Ben@OMDEC.com](mailto:Ben@OMDEC.com).

To keep this newsletter relatively short, this is intended to be a broad overview of issues for physical asset management, rather than a comprehensive discussion of the topic.

## So What Is a CMMS / EAMS Supposed To Do? Part 1

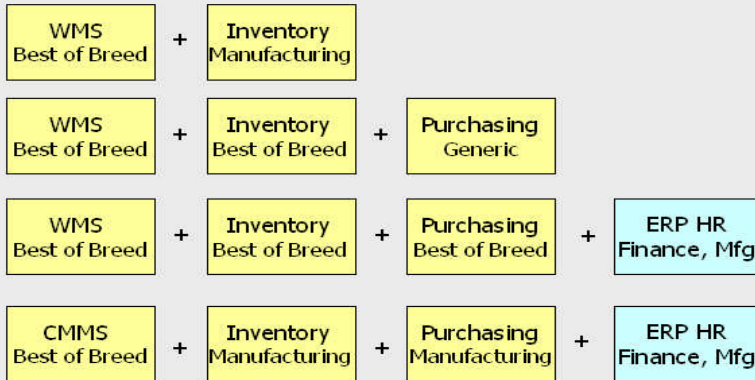
CMMS – (Computerized Maintenance Management Systems) and EAMS (Enterprise Asset Management Systems) seem to suggest from their name that they are all about managing maintenance and assets. Lots of people get confused by the labels. So let me invite a torrent of reaction by trying to providing a simple labelling key for the main components.



Now obviously I have taken some short cuts here – one of the problems being that our friends and colleagues in the software business realise there are sales advantages in the specific way their tools are described; and so the lines get blurred. But for a starting point this is a workable solution. But you will also note that I have dared to introduce the concept of a “Best of Breed”. And that begs the question of what isn’t “Best of Breed” and why? Typically we look as a best of breed solution as one that has been designed and tailor-made to serve the unique needs of the maintenance community.

The accepted alternative to Best of Breed is a Hybrid – i.e. a system or module that was originally designed for a largely non-maintenance purpose but has been developed and expanded to meet the needs of maintenance, AND (to confuse further) may well be integrated with best of breed maintenance modules. To look at the potential difficulties of this adaptation from non-maintenance to maintenance, think of the following. Think of the difference between an inventory system designed for managing a production inventory (small numbers of items for raw materials, work in process and finished goods but often huge volumes of each), compared to the spares inventory that is needed to support Maintenance (a huge range of items, but relatively small quantities of each.) Hybrids come in many shapes and flavours. The following gives us some examples – there are many more variations.

## Hybrid Systems – Many varieties....



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The next question is what I regard as the most important question in Maintenance – So What? Increasingly the answer is that as far as the functionality is concerned, the labels do not really matter – they are only useful in trying to disentangle the jargon (and TLA's) of maintenance systems so we can more or less talk the same language. In reality, overwhelmingly the deficiencies that we find in the use and application of the systems are not caused by the functional limitations of the systems. Quite the reverse – the systems usually have far more functionality that even the most advanced Maintenance Planner can use in a lifetime.

In a recent discussion with a power generation company and their maintenance systems vendor, they disclosed that this user was the most advanced in the system use of any in the vendor's fleet – but their usage only approached about 30% of the total functionality of the software. Should we be surprised? No – the vendors have been actively and competitively extending the capability of their systems since the early 1980's when they hit the market in full force. As a simple parallel, almost everyone uses a spreadsheet (Excel for example) – but how many users stretch its capacity beyond a marginal 10% or so. I certainly don't!

Thus the “So What” is this is that unless the users have some very specific requirements that are unique to their own business or company, then the basic system functionality of pretty well all of the leading systems is not the limiting factor.

Then what is? I will offer two complementary suggestions – first the general ignorance of senior management of the capability of this expensive tool to drive maintenance improvements. And secondly, the lack of a knowledgeable and persuasive person who is dedicated to extracting more value out of the system – who is looking for ways to actively improve the system's contribution to maintenance. I'll expand on this experience next time around.

Let me have your views..... [ben@omdec.com](mailto:ben@omdec.com)

## **Upcoming**

Please advise me, if there are other topics on maintenance management, project management, or physical asset management issues that would you would find of interest.

Conscious Asset Management is offering a three day RCM (Reliability Centred Maintenance) introductory course in Ottawa on May 15 to 17. Mention to Jim where you heard about the course. For more information, please see: <http://www.consciousasset.com/CAM-Training.html> .

Tony Rodriguez is offering “PROACT Root Cause Analysis” workshops in Sarnia on May 1 & 2; and in Calgary on May 23 & 24. Mention to Tony where you heard about the course. For more information, please see: [http://www.pemmax.com/proact\\_rca\\_canada.pdf](http://www.pemmax.com/proact_rca_canada.pdf) .

Federated Press is presenting their 6<sup>th</sup> annual “Creating a 21<sup>st</sup> Century Maintenance Organization” on September 26 to 28, 2007 in Mississauga (near Toronto). I will be presenting “*Using Root Cause Analysis to Improve Reliability*”, and conducting a workshop on “*Defining and Selling the Benefits of Maintenance to Your Organization*”. For more information as it becomes available, please see: <http://www.federatedpress.com>

The PEMAC (Plant Engineering and Maintenance Association of Canada) MainTrain conference was a great success, and is expected to be organized again for 2007. For more information on the conference, see the MainTrain web site: <http://maintrain.ca/>. For more information on PEMAC, please check their web site at: [www.pemac.org](http://www.pemac.org).

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