

# Governance & Asset Management



# Today's Journey, and who I am?

## **Asset Value Delivery Model:**

- 6 functional pillars of Asset Management

## **Service Delivery**

## **Governance Control Spectrum**

## **Asset Management is a Journey**



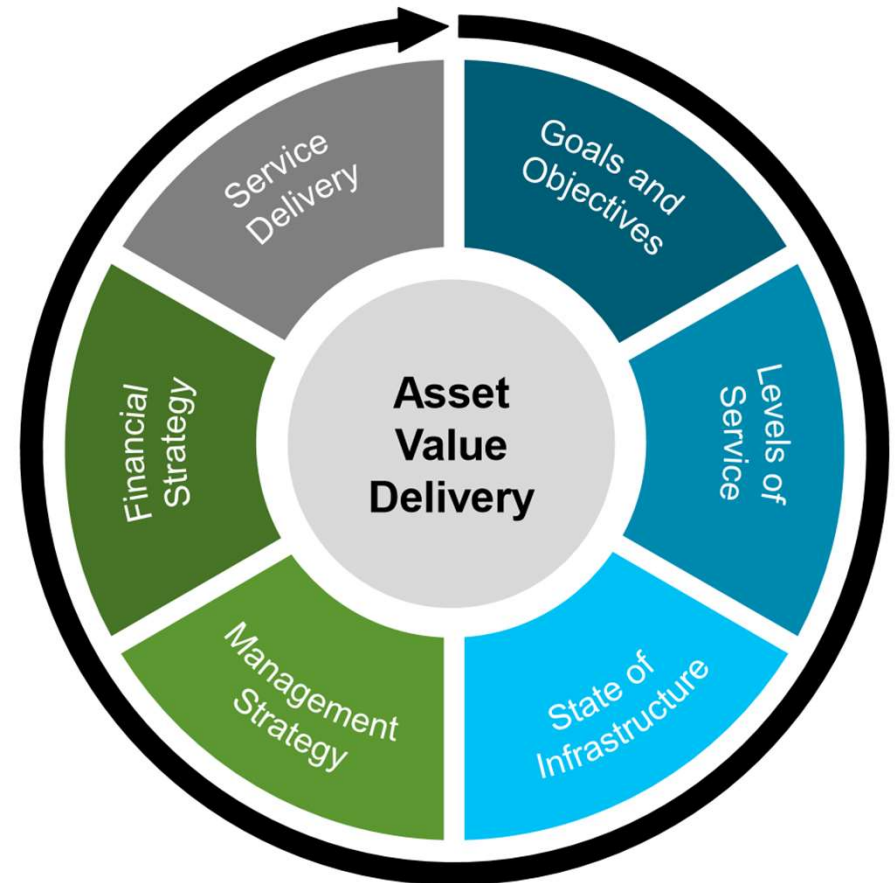
# Governance is Organic!



# Asset Value Delivery Model

## Asset Value Delivery Model:

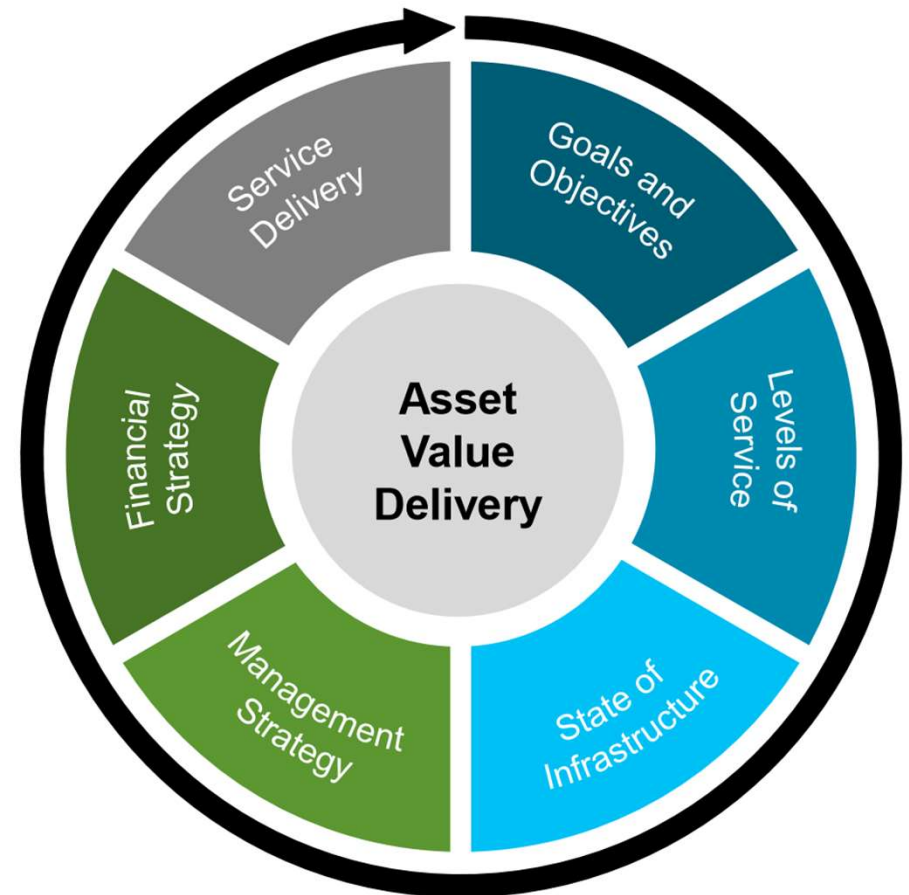
- 6 functional pillars to deliver on effective asset investment and management.
- Each pillar works cohesively with the other, not in silo of itself, in determining how to effectively deliver on asset management.
- The feedback loop of this model is reinforced through asset management plans and performance measures, in order to plan for the future.



# Asset Value Delivery Pillars

## Goals & Objectives:

- Strategic plans and priorities, policies, and other governing documents that municipalities have in place to set future direction.
- This pillar is not unique to Asset Management, but explains how current and future capital investments are determined relative to desired services outcomes and priority areas.





# Asset Value Delivery Pillars

## Levels of Service:

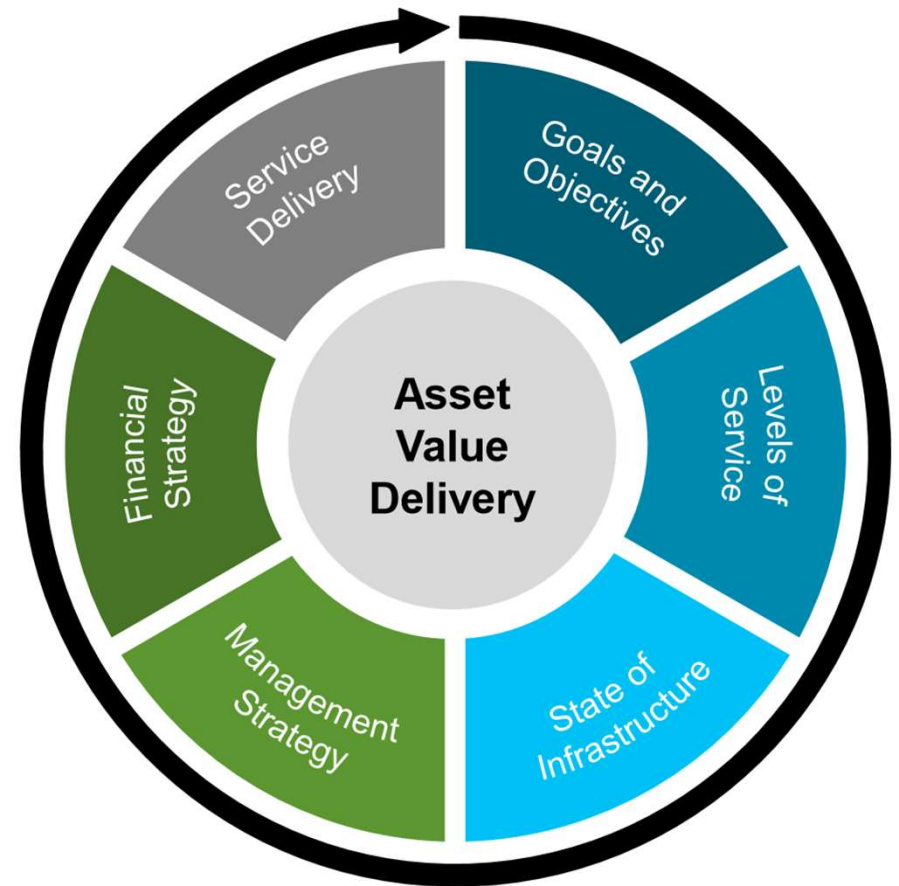
- Determined through a program and service framework/hierarchy.
- Asset management through levels of service in order to effectively maintain an asset's lifecycle.
- AND where capital assets support programs and services and their associated levels of service.



# Asset Value Delivery Pillars

## State of Infrastructure:

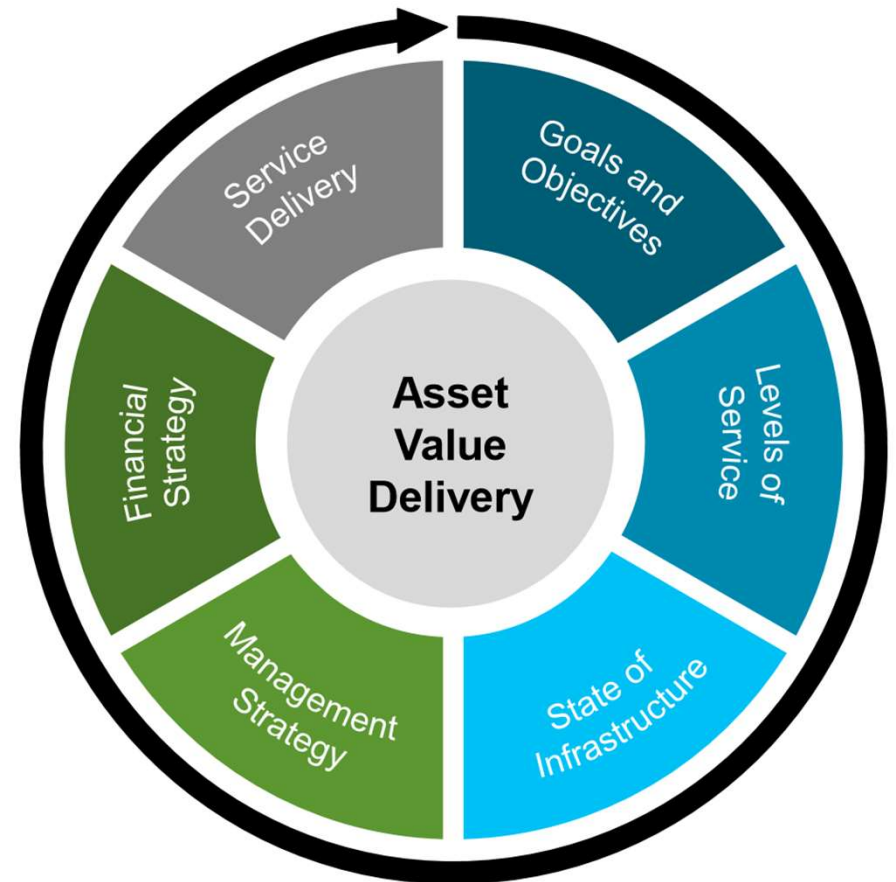
- Maintenance, renewal, and replacement of infrastructure can be better understood when we know the state of our **current** infrastructure.
- Determining the current condition of capital infrastructure will support:
  - Understanding inequity gaps between various asset classes.
  - Determining asset management priorities and plans over time.
  - Understanding our capital asset deficit



# Asset Value Delivery Pillars

## Management Strategy:

- How do we **prioritize** our infrastructure needs?
- Understanding our financial reality, levels of service, risk, and state of our infrastructure will help to inform priorities.
- Asset management considers the prioritization from the programs and services that they support.
- Priority is not solely contemplated at an asset class level, but rather through a wholistic approach





# Asset Value Delivery Pillars

## Financial Strategy:

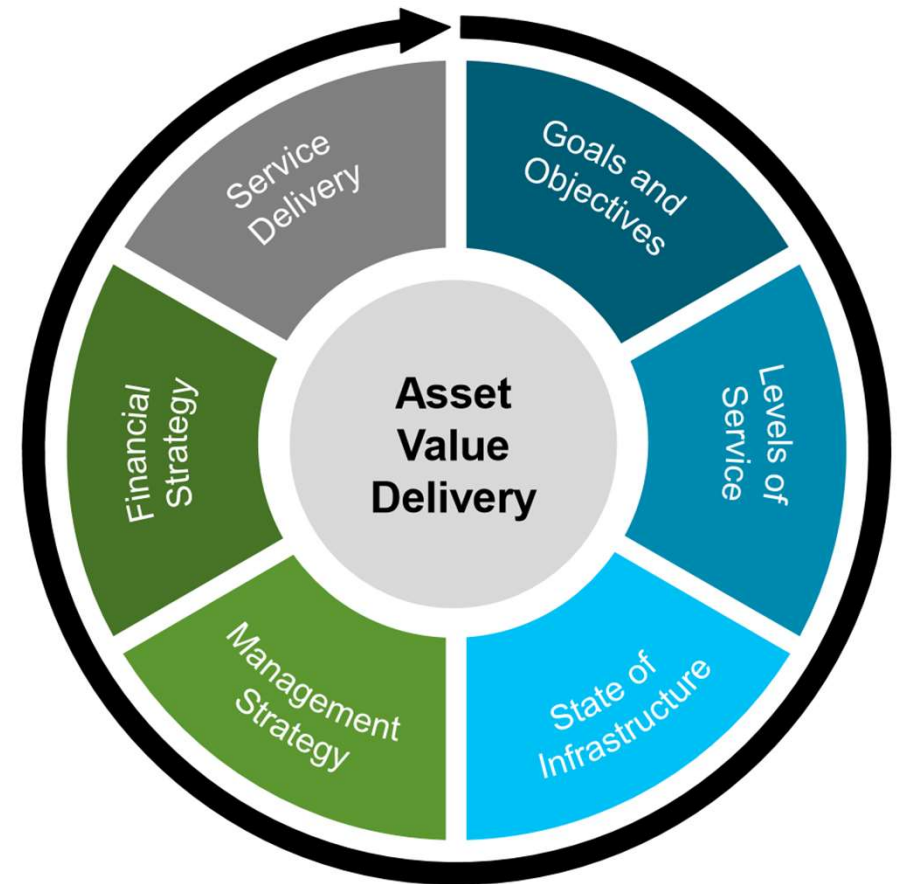
- How do we fund our maintenance, renewal, replacement, and **NEW** assets?
- Funding envelopes based on function or asset class need to be revisited in order to effectively meet our levels of services, while minimizing risk to the state of our infrastructure.
- Funding assigned through asset class or function further prolongs inequity among asset classes.



# Asset Value Delivery Pillars

## Service Delivery:

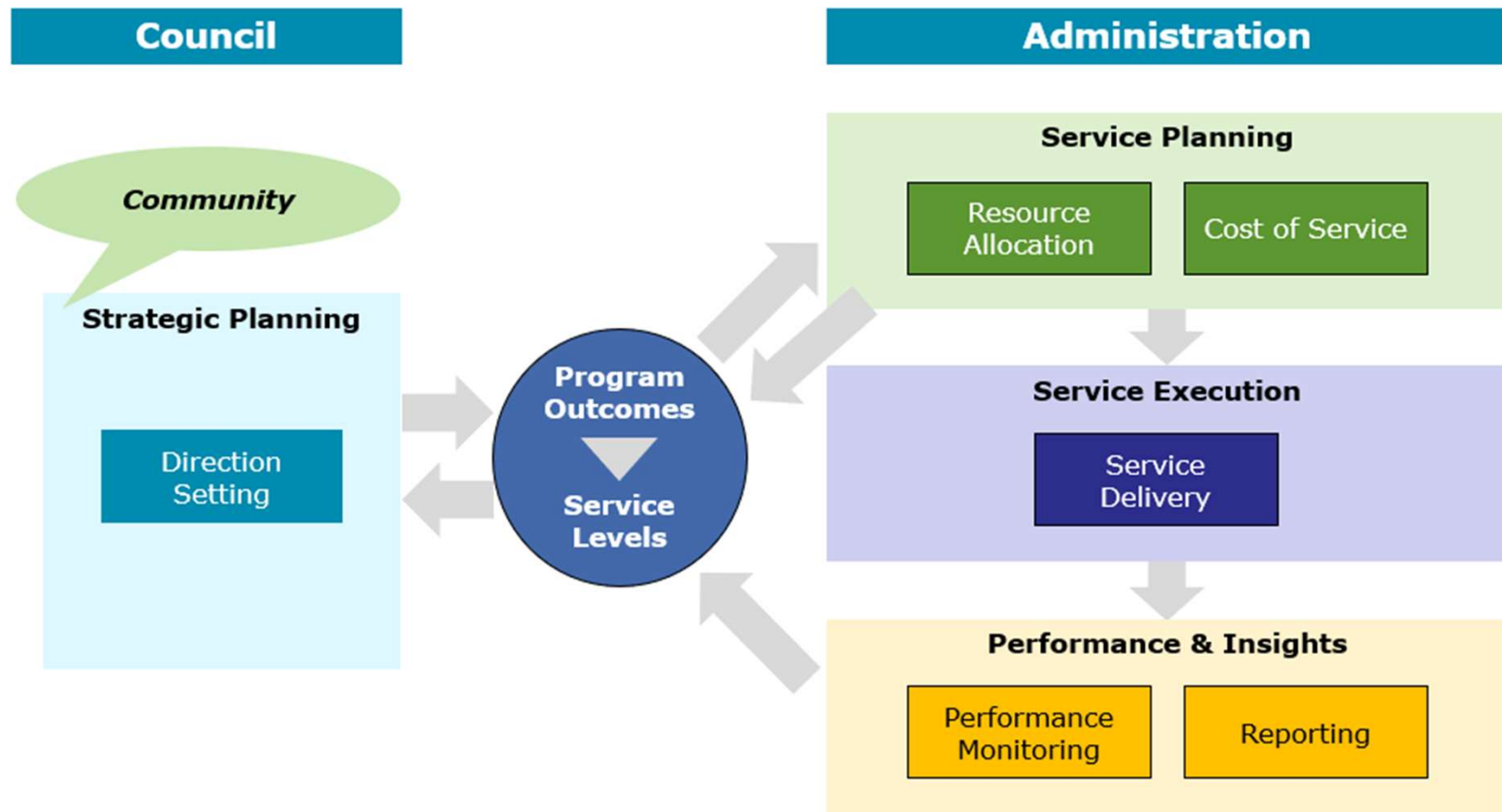
- Asset management plans, along with performance measures from the program and service framework will help in determining if we were able to effectively deliver on our asset value delivery model
- This will help set the stage for the next planning cycle through an effective use of asset management.



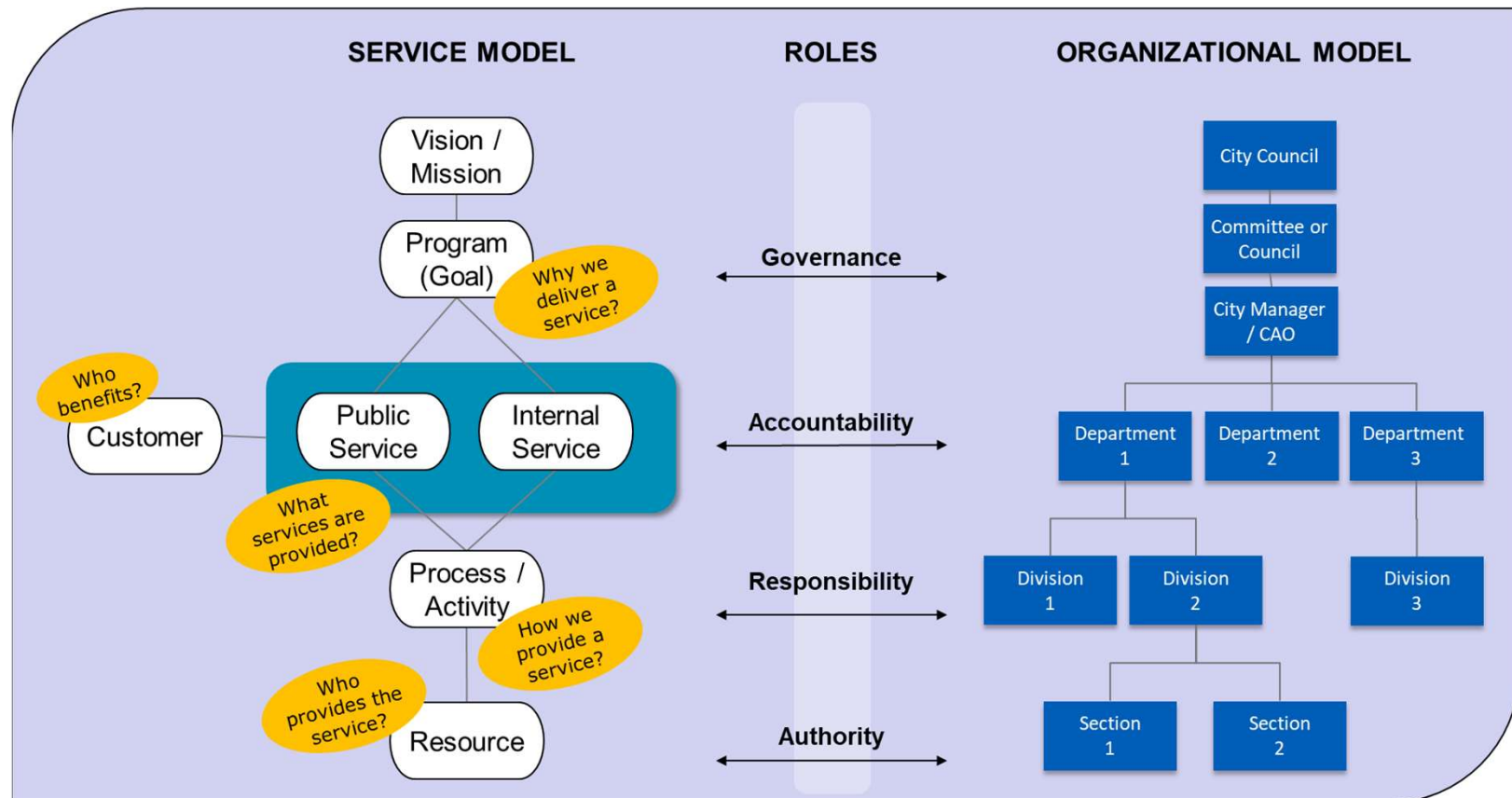
# What is Service Delivery?



# Service Delivery



# Service Delivery vs Organizational Structure





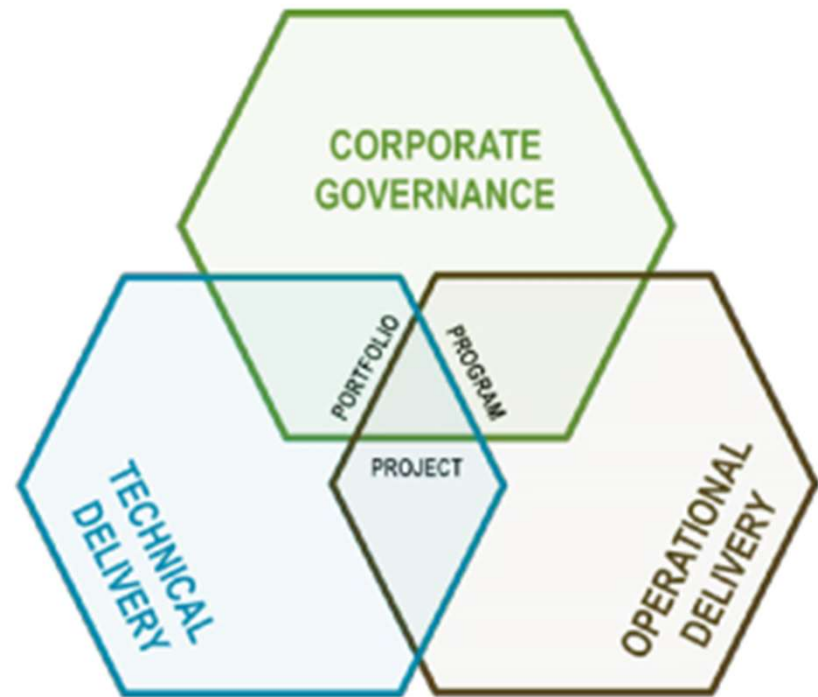
# How does this all tie into the Governance of Asset Management?



# Principles of Governance

There are three broad categories of governance related to both the implementation and sustainment of asset management:

These categories are aligned with the governance components



# Principles of Governance

	Definition	Components
Corporate Governance	Accountability for strategic direction, core decision-making and the alignment of the program to management procedures, operational metrics and planned value realization and benefits.	Senior Leadership Oversight
Technical Delivery	Responsible for the management of project delivery. To develop, plan and integrate the right resource to execute and commission a complex project to an agreed scope and schedule.	Program Management
		Implementation and Integration into Business Units
Operational Delivery	Application of leading practice methods, processes, tools and techniques to manage project / operational reporting, capture risks, enable monitoring and support the enhanced delivery	Improvement Project Delivery

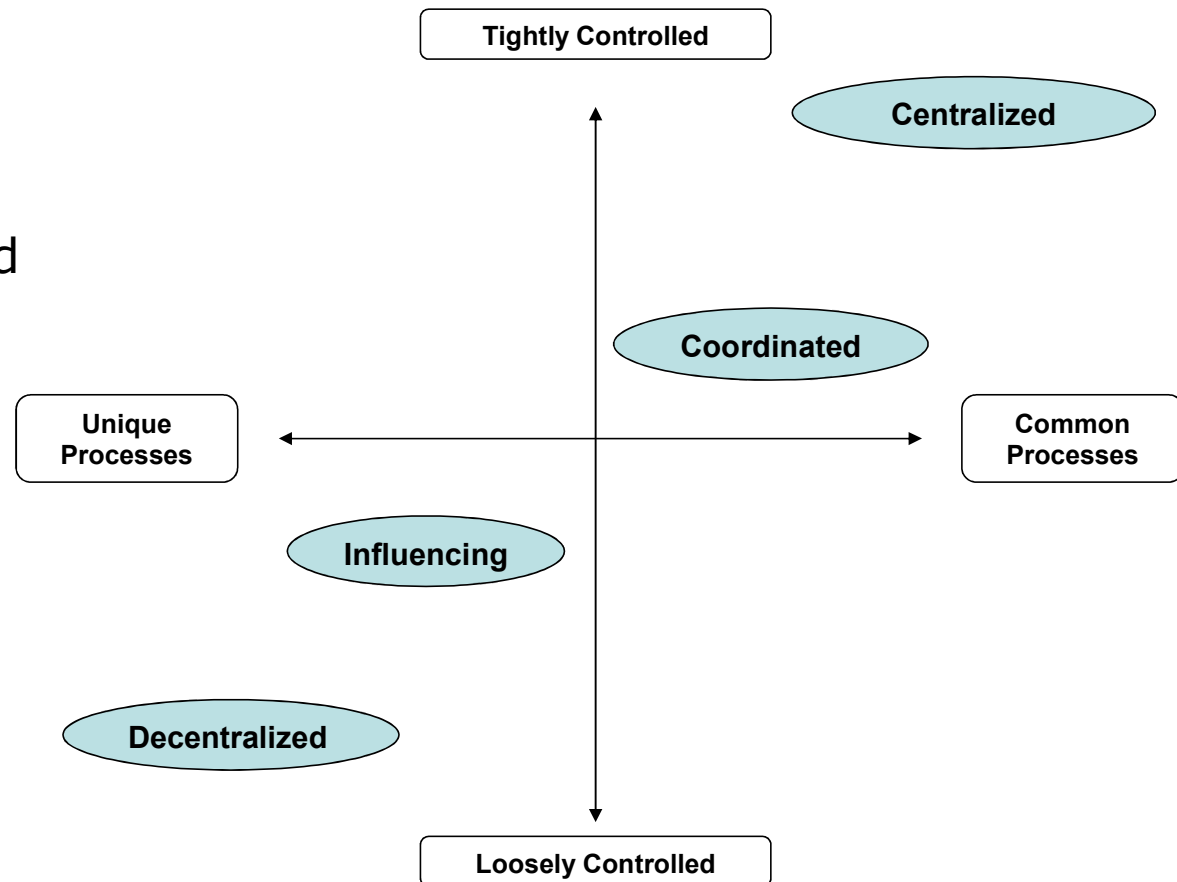
# Governance Control Spectrum

## Spectrum of Control:

- Governance structures and processes exist on a spectrum. The level of control or consistency required and desired by an organization may differ based on the defined goals and outcomes.

**Level of Centralization:** Refers to the extent of authority or control that is centrally maintained by an entity

**Level of Control:** Refers to the extent that roles and processes are formally defined and managed.



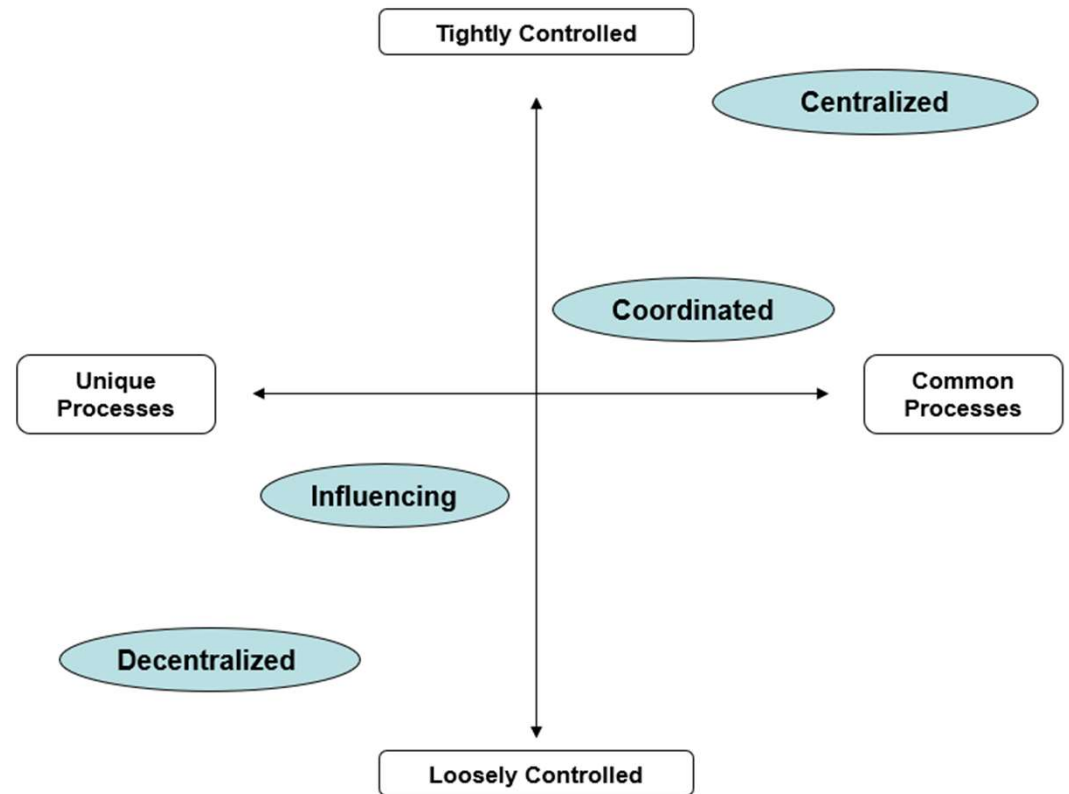
# Governance Structure Options

Potential options for each component have been outlined below. These governance options could be considered for either implementation or sustainment as this is a Journey!

Component		Options			
Corporate Governance	Senior Leadership Oversight	Executive Team	CAM Steering Committee	Senior Leadership Team	
Technical Delivery	AM Program Management	Project Sponsors	Project Team	CAM Program Coordinator	County AM Department
	Implementation and Integration into Business Units	AM Center of Excellence	AM Community of Practice	Department SMEs	
		Departmental Delivery	Department-Led Working Team	Integration Team	
		Operational Delivery	Improvement Project Delivery	Task Teams	Departmental AM Roles
Subject Matter Experts					



# Recap on our Journey!



# Thank you!

**Just remember, Asset Management is a Journey, not a sprint!**

You'll be as happy as I am here, the day I visited the Smithsonian to see Julia Child's kitchen.

