

Balancing asset cost, risk and performance to help a nation in transition



Asset Lifecycle Management contributes to Australian high level economic outcomes

Effective asset life management of mine sites, airports, oil rigs, ships, power stations, gas pipelines, roads assets is pivotal for the future of the Australian economy. And that is before considering all the data assets, buildings, people and other assets that are part of running a modern, profitable and competitive Australian business.

Some of the ways Asset Lifecycle Management (ALM) can help Australia's productivity potential:

- Supports the achievement and success in growing the Australian economy;
- Being ready to respond to industry opportunities and demands that may arise;
- Building a balanced Australian cross sector portfolio for the future;
- Making the most out of every dollar invested; and
- Reducing risk of assets not being available when and where required.

An ALM approach can improve Australia's ability to:

- Optimise availability of assets to meet growing customer demand cycles;
- Link corporate strategy with effective asset utilisation;
- Provide clarity of accountability, authority and responsibility;
- Make and implement better decisions faster and with more confidence;
- Increase transparency in decision making; and
- Provide better visibility of asset Total Cost of Ownership (TCO).

What is Asset Lifecycle Management?

Asset Lifecycle Management represents the approach to derive best value from physical assets throughout its entire lifecycle. Best value is a combined consideration of asset total cost of ownership, enterprise risk and performance. Not adequately considering all these factors can have real consequences.

Are you realising all the benefits of ALM?

The ALM approach provides multiple benefits to the Total Value of Ownership, the Total Cost of Ownership and the Total Risk of Ownership.



Total value of ownership

- Enhanced focus on performance and customer outcomes rather than just a specific technical focus (e.g. more than just engineering and maintenance).
- Improved sustainability via evident and appropriate handling of short term versus long term effects, expenditures, and performance, improving the long term sustainability of operations.
- Improved organisation culture established by cross-functional teamwork, sense of common purpose and ownership can result in greater innovation, motivation and employee satisfaction.



Total cost of ownership

- Smarter investment decisions and trade-offs between Capital Expenditure & Operating Expenditure decisions across the lifecycle.
- A more efficient procurement and supply chain through better planning outcomes.
- Improved operational efficiency whereby organisations can reduce costs and improve asset performance without sacrificing long term sustainability.



Total risk of ownership

- Improved stakeholder confidence through, reduced risks and improved compliance assurance.
- Improved decision credibility and accountability, including a clear audit trail for decision making and trade-offs across the lifecycle.
- Improved delivery of governance outcomes via the assurance of compliance through ongoing monitoring and independent audits. Assurance can be obtained on the compliance with legal, regulatory and contractual requirements and adherence to standards, policies and processes.

Find out more



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