

Asset management



Your asset is your business. The more challenging the economy, the more valuable the asset becomes. Decisions are magnified. Risk is amplified.

Data is about more than numbers. It tells a story. Asset management uses data to illustrate risk, show financial performance and describe what operational excellence means for you. Asset management strives for maximum value. We can help you to:

- Mitigate risk and enhance performance
- Spend the right amount to maintain the asset
- Operate safely, reliably and within standards
- Collect the right asset information and use it wisely
- Combine organizational knowledge with data driven insights

We do this by:

- Aligning asset management strategy, governance and processes to PAS 55 / ISO 55000 series standards
- Designing and implementing risk-based and value-based processes across the asset lifecycle
- Developing tools and technology that drive fact-based decisions and proactive decision making



Asset management in action...



The client needed a roadmap to achieve PAS55 / ISO55000 certification. They asked Deloitte to analyze the gaps that would prevent them from reaching this goal and to recommend a roadmap to success.

We sat down with everyone involved in the asset management process. We asked about approaches, activities, obstacles and other challenges. Interviews were thorough, thoughtful and frank, because the people doing the work are a great source of knowledge and ideas.

Over eight weeks, we assessed how strategy had been formed and how decisions were being made. We examined lifecycle processes, explored governance and identified roles. That helped us characterize the kind of culture and technology our client would need to effectively manage their asset. The client saw a clear path to closing the gaps in process so they could submit a rate application to a regulator with confidence.



Operational readiness



The asset's maximum capacity is well known.

The obstacles are less visible.

We help push your build over the final hurdles to create an operating asset.

Operational readiness means successful delivery of an asset to achieve nameplate production – as quickly and efficiently as possible. You need to establish operational requirements early, see an integrated end-to-end perspective and reduce construction errors. We help you to:

- Get Operations and Maintenance groups buying into project design
- Calculate how ramp-up delays affect project economics
- Get people, systems, infrastructure and supply chain in place before start-up

We do this by:

- Identifying potential transitional risks that can delay achievement of nameplate production
- Identifying strategies and resources to address risks
- Integrating into the overall project execution plan to ensure alignment throughout team



Operational readiness in action...



When demand is there, you want to meet it. The mining company that approached Deloitte had a number of capital projects underway to support growth in demand for its products. However, they faced the risk of not delivering. They had been focusing limited resources on operational readiness. There was no clear definition of what needed to be done and no roadmap leading to successful delivery of projects.

Deloitte began by reviewing the client's operational readiness practices so, together, they could develop the right framework tailored to the client's capital project lifecycle. This meant finding the pain points and gaps in the client's existing operational readiness, defining what operational readiness would mean across the organization and detailing key activities for each element of the client's framework.

Then, they developed key tools and templates to support and define key roles in operational readiness. They also pointed out the stakeholder and team interactions that needed to happen during the capital project lifecycle.

By knowing the specific, tangible actions they needed their people to be taking, the client was able to develop overall project plans that incorporated operational readiness to successfully deliver its projects.



Field productivity



You've hired the best people you could find. You want the best of their ability to enhance the existing asset.

Field productivity is the pursuit of end-to-end process improvement efforts focused on increasing the effectiveness and efficiency of value-added activities. End-to-end process improvements engage workers at every level so there's no wasted effort. We help you to:

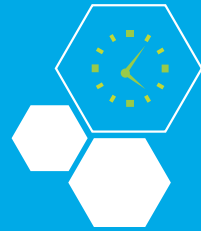
- Direct your people's efforts to the projects that matter most
- Focus your own time and skills where they're needed most
- Look beyond the day-to-day to see if all the activity of busy people is actually getting the asset to where it needs to go
- Capture and share more knowledge so that expertise stays after people move on

We do this by:

- Engaging teams to maximize value at the operational level
- Implementing the right metrics for the right people at the right time
- Working to reduce waste in all its forms
- Standardizing work and processes
- Delegating authority



Field productivity in action: How am I doing?



A major producer and supplier of aviation fuel, facing a highly competitive market, needed to create a culture of continuous improvement. Deloitte's field productivity team went right to the frontline airport operations to begin laying the foundation for leadership accountability. We developed standard work, which involved detailing and improving the steps in completing a task.

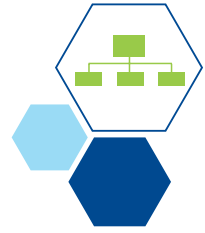
Then, we worked with the client team to apply visual management techniques. It finds ways of providing a steady flow of information on performance to those who need to see it. So, rather than just setting goals and evaluating later, everyone is continually aware of performance and how they're doing in meeting objectives.

We made sure key performance indicators reflected true measures of success and linked metrics to specific tasks. The result? The right leader at the right level is taking ownership of performance. Leaders were then coached on supporting frontline operations. Cross-functional forums brought people together to promote problem solving and issue escalation.

Now, an engaged, empowered frontline team holds themselves accountable. Invoice errors went down. Speed of issue resolution went up across a global process with many stakeholders.



Operations management systems



Your corporate strategy is your roadmap. To navigate a changing landscape, it takes a clear vision that's shared by all.

Strategies should be more than words. They should come to life in the way your people do their work. Operations management systems provide a systematic, structured approach to operations so that strategies are living, breathing initiatives that come off the page. We help you to:

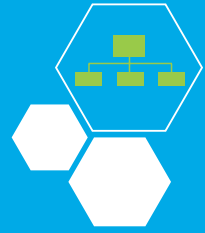
- Implement leadership direction to the operational level and in day-to-day activities
- Implement processes consistently across your whole organization, so everyone is using the same policies and templates
- See how regulations apply to you, your task at hand and your business as a whole
- Turn your people's "intuitive" instincts and personal experience into system knowledge and a shared resource

We do this by:

- Providing a systematic, structured approach to managing operations
- Creating mechanisms to share best practices
- Enabling operations to consistently execute on end-to-end processes and effectively manage risks, leading to a culture of continuous improvement



Operations management systems in action...



How do you make sound decisions when everyone in the organization has their own way of doing things? How do you know decisions are being carried out effectively? These are questions clients ask us.

One company lacked structured processes and had limited standardized tools, guides and measures.

Over seven months, we worked with them to create an integrated set of initiatives, programs, policies and processes. We developed a decision management structure and governance framework. The client now has a defined ownership and reporting plan, backed up by integrated operational risk management processes, risk management tools and implementation methodology and performance measures.

To help manage change, we developed the communications plan and training materials to get everyone in the organization on board.



Operations risk management



Risks are inherent to operations. Identifying and managing risks gives you certainty.

Operational risk management helps you see which risks are ascending and which risks are already putting operational performance in jeopardy. We help you to:

- Categorize the risks right in front of you and see the risks on the horizon
- Measure, monitor and mitigate those risks
- Learn the appropriate level of operational risk for your business
- Understand how to report operational risks to company leadership and talk about risk across the organization

We do this by:

- Building systems, procedures and processes for managing uncertainty in a consistent way across the business
- Designing governance and reporting structures to define accountability and give clarity
- Deploying training and competency assessments to sustain and mature risk management over time
- Identifying opportunities to manage trade-offs between competing priorities while still meeting regulatory compliance



Operational risk management in action...



The rapid growth was a good thing. The regulatory uncertainty was less welcome but certainly not unexpected.

With an eye on future growth, the company wanted to ensure consistent risk management and reporting kept up with the pace of change. The goal was to optimize North American operations so that growth could be managed, and so they'd be prepared for any market changes. Deloitte began working with the core business team to evaluate the situation, envision future goals, deploy the right tools and implement a strategy.

Deloitte's approach supported knowledge transfer among people in the organization, so that everyone involved in managing risk knew how to use the right tools. To get everyone working toward the same goals, we delivered an organizational risk management policy to set expectations. To help put the plan into action, we created organizational risk management procedures that could be applied across all asset types and in all locations. The procedures were scalable – as the business grew, risk management performance grew with it. A reporting process and template provided leadership and the business with a clear line of sight in monitoring risk.

The project allowed the company to develop shared language for how risks are identified, assessed, monitored, and mitigated. The company now has defined roles and responsibilities from field to head office.



Operations technology



Operations technology is raising performance for those who know how to make the most of it. Early adopters get the edge.

Operations technology is allowing businesses to perform in ways they'd never have imagined even a decade ago. Operations technology is becoming digital, real-time and more accessible. The internet, mobility, cloud-computing and data analytics are improving labour and asset productivity in capital intensive industries and reducing risk. We help you to:

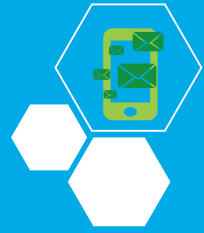
- Improve plant and production uptime
- Understand the relationships between all the data your operations collect
- Monitor field safety with technology and prevent incidents
- Prevent attacks on operational equipment, such as SCADA hacking

We do this by:

- Giving meaning to the technology options out there right now
- Defining the options that will be most valuable to you
- Improving operations through emerging operations technology (reducing costs and upping throughput)
- Using analytics to inform, prevent and predict
- Driving opportunities in internet, mobile, cloud and digital (e.g., remote room)



Operations technology in action...



Operations Technology – Security – One of North America’s largest infrastructure providers is working with the Deloitte Operations Technology team to review, assess and implement an enterprise wide operations technology security approach. Spanning a multi-billion dollar asset base, this solution will mitigate operational risk and provide a scale-able technology platform.

Supervisory control and data acquisition (SCADA) – A top North American oil and gas producer has engaged the Deloitte Operations Technology team to assess how to best use SCADA systems, which would allow them to operate remote equipment from a distance. The central challenge is how to distribute the systems to create new operating models and business results.

Geographic Information Systems (GIS) – GIS provides a picture of geographically dispersed equipment so capital intensive organizations can understand their assets intuitively. Deloitte’s Operational Technology team is supporting a large North American Resources firm as they plan a multi-year strategy to broadly leverage sophisticated tools and use them in traditional ‘back-office’ financial and maintenance systems.



Regulatory, safety & environment



You set high standards and you are aware of your regularity obligations. But the public environment is always changing.

Our regulatory, safety and environmental services help you keep abreast of – and ahead of – legal requirements and public expectations so your operations not only comply but excel. We help you to:

- Pass a detailed audit by the regulator in the areas of: operational compliance, safety management, contractor management or environmental protection
- Prepare for and manage an emergency
- Embed environmental performance into people's roles
- Know and interpret the latest regulation you need to comply with
- Effectively manage your pipeline integrity

We do this by:

- Developing customized plans for managing and meeting compliance expectations
- Helping meet operational regulations, such as pipeline integrity
- Improving safety in key areas, such as contractor management
- Improving environmental compliance by strengthening permitting and reporting



Regulatory, safety & environment in action...



We help our clients understand regulations, get ready for regulator audits and improve competency in emergency response.

One recent client needed to better understand which legal requirements applied to them. We completed several monitoring processes and registries to provide clarity.

When auditors call, many clients make their next call to us. We conduct pre-audit assessment of management systems to make sure they are clear and complete. When the auditor arrives on site, our clients feel ready.

To help clients be ready for an emergency; we review and revise emergency plans, train their people and put readiness to the test with incident exercises. We help organizations to clearly say what they do ... do what they say ... and be able to provide the proof that they are compliant.



Sustainability



Resource businesses operate in a complex social environment. Social license to operate is becoming a reality.

It's not only about getting resources out of the ground. It's also about building common ground with those outside the industry. We help drive sustainability and address environmental and social issues through risk evaluation, reporting, assurance and stakeholder engagement.

We help you to:

- Find the audiences you need to engage and start a conversation about shared goals
- Define the environmental and social objectives that support your corporate strategy
- Integrate company-wide sustainability priorities into your operations

We do this by:

- Defining a focused strategy on environmental and social issues
- Setting goals and targets and reporting accurate information publicly
- Providing third-party assurance on environmental and safety information
- Designing and implementing external stakeholder engagement strategies



Sustainability in action...



Operations exist within broader ecological systems the client needed to know how the risks associated with their operations were putting stress on watersheds.

They worked with us to conduct a context-based water-risk assessment. We broke down the risks and put them in categories such as physical/technical, regulatory and reputation. We introduced them to a number of global water foot-printing tools, in addition to using the ISO 31000 risk assessment standard.

Our insights from the assessment fed into the company's enterprise water stewardship strategy. They now have goals for sustainability targets and know which operations are most exposed so that risk mitigation could get underway.

