

Road Asset Management (RAM)

Georgia

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The Asset Management Team

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RAM Needs Senior Leadership

- RAM is really a business model, so to change RAM practices requires a business change approach.
- Essential to have senior level leadership for RAM
 - Ideally with strong ability to influence funding allocation decisions
 - RAM will not survive if it doesn't influence the allocation of funds
- Questions:
 - Who is leading the implementation of RAM?
 - If they were to move on, would the RAM initiative survive?

The RAM Leadership Team

- Requires a small team to be the leaders and ensure processes are being followed, improvement plans actioned, AMP produced etc.
 - As a minimum suggest 2-5 staff focussed on RAM
 - With a committee drawn from across the road authority chaired by the senior level leader
 - Use external consultants for tasks that are not business-as-usual or to get over initial peak workload, but make as much as possible part of the 'new normal'
- Questions:
 - What does the RAM structure look like?
 - Do those leading RAM have access to training and qualifications?
 - Is RAM seen as a road authority wide initiative or more like a niche project that a small team is working on?

- RAM is ultimately an organisation wide process and like road safety or quality assurance, it cannot be delivered by one or two working in isolation from the whole road authority
 - RAM Team may manage the AMIS, but the users and suppliers of data will be from across the authority
 - RAM Team prioritise the improvement actions, but they are delivered within the relevant parts of the authority
- Questions:
 - Does RAM have the support of the wider road authority?
 - Does everyone understand their role within RAM?

Governance and Coordination

- Asset management is a function of the organisation, not of a single person or team

- Question:
 - Do you have an AM Team like this?
 - Is it effective?



Who Does What?

	AM Team	Wider Road Authority	External Consultants
Develop policies			
Set target LOS			
Collect/update inventory data			
Collect condition data			
Assess network risks			
Develop the forward work program			



	AM Team	Wider Road Authority	External Consultants
Develop contract models for the maintenance and renewal activities			
Manage of overall budget contingencies (i.e. if natural disaster occurs)			
Drafts AMP			
Runs the AMIS			
Manages the RAM Improvement Plan			

Example Organisational Structures

In-house RAM Model (700-800 staff)

Central

- Planning and performance
- Financial allocations
- Overall reporting
- VM supervision
- Running of major business change projects
- Asset Management Office
- Commercial
- Winter Service policy

Technology
Staff: 94

Staff: 121

Regions

- Regional governance, with an associated director
- Planning of works at a regional level
- Emergency and event planning
- Regional intelligence units
- Issuing of Traffic Regulation Orders
- Development Control
- Liaison with other public sector bodies
- Financial and performance reporting

Staff: 7 x 47.5 (332)

Area / DBFO

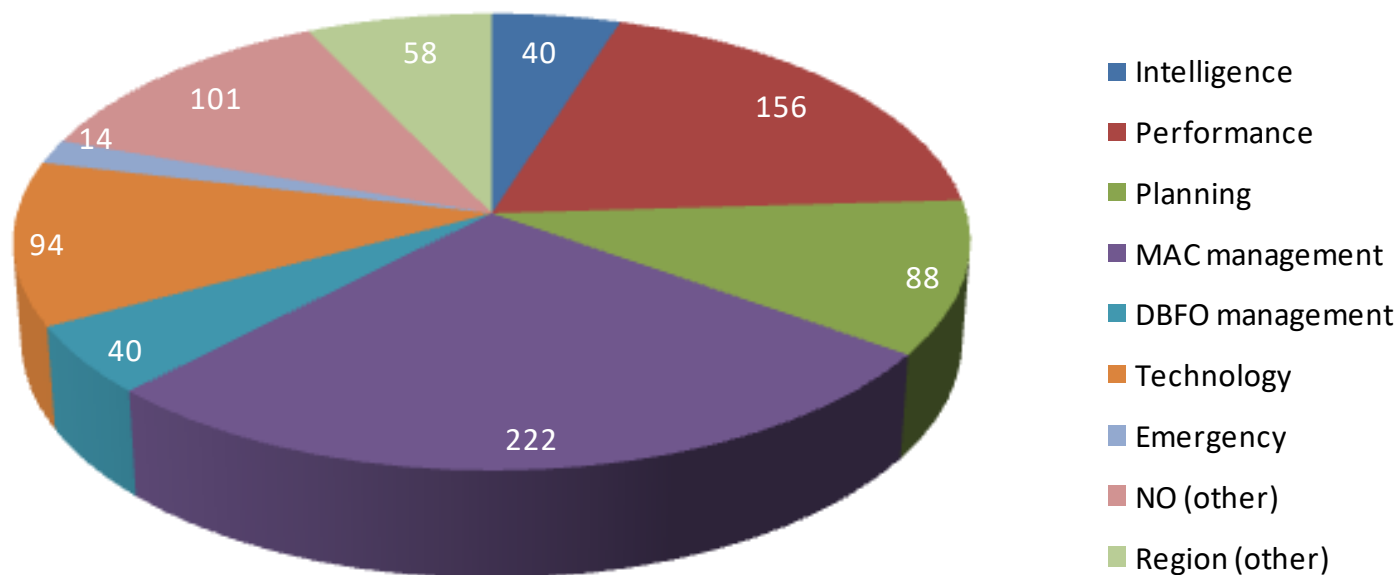
- Public facing correspondence
- Public exhibitions for LNMS,
- Public Inquiries that result from Orders
- Consultation for projects
- Project sponsorship for projects
- Financial control
- Tracking and production of area KPIs and performance indicators
- Local Authority liaison

DBFO
Staff: 40

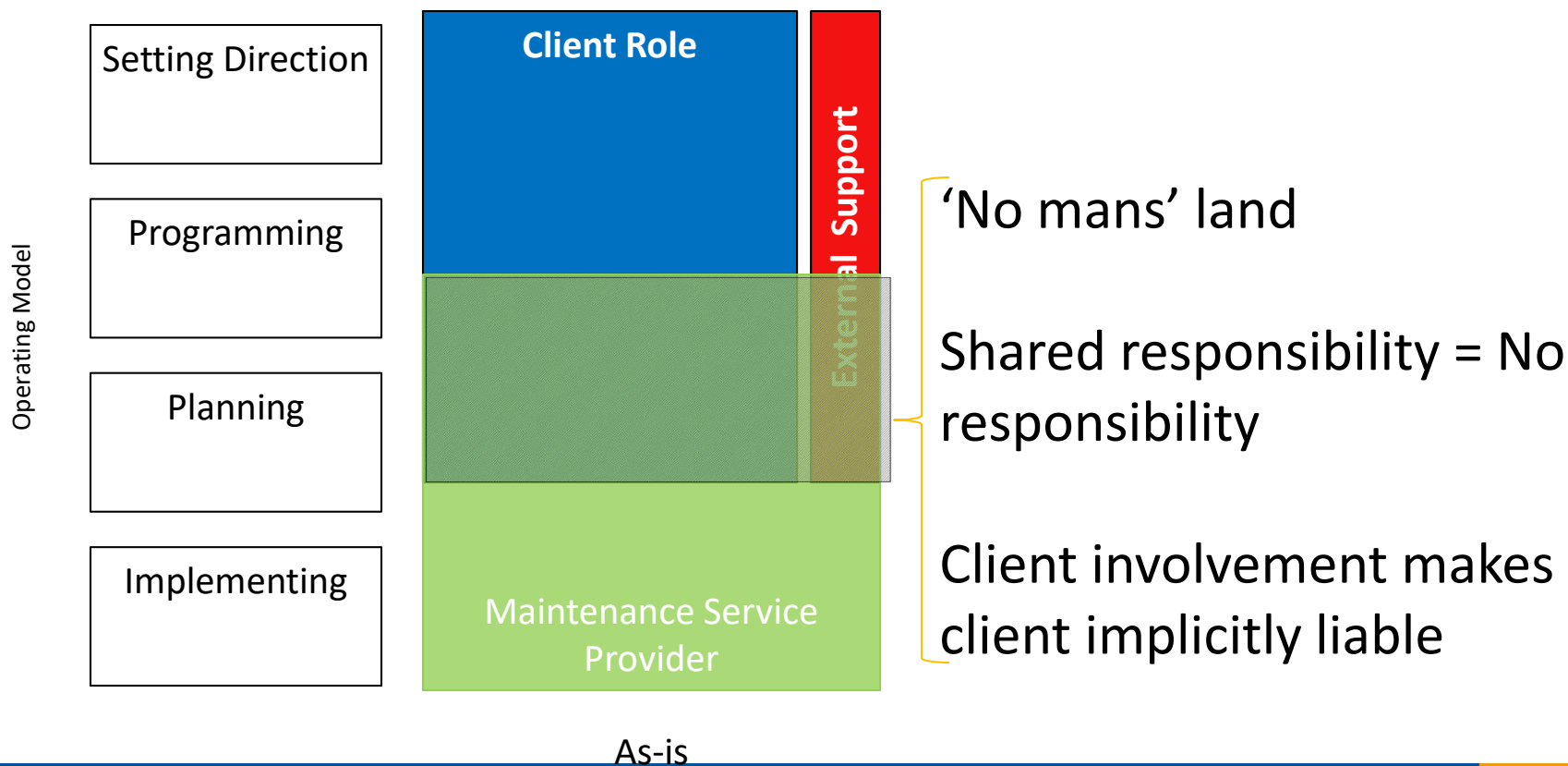
Area Team Staff: 12 x 18.5 (222)

Example Functions

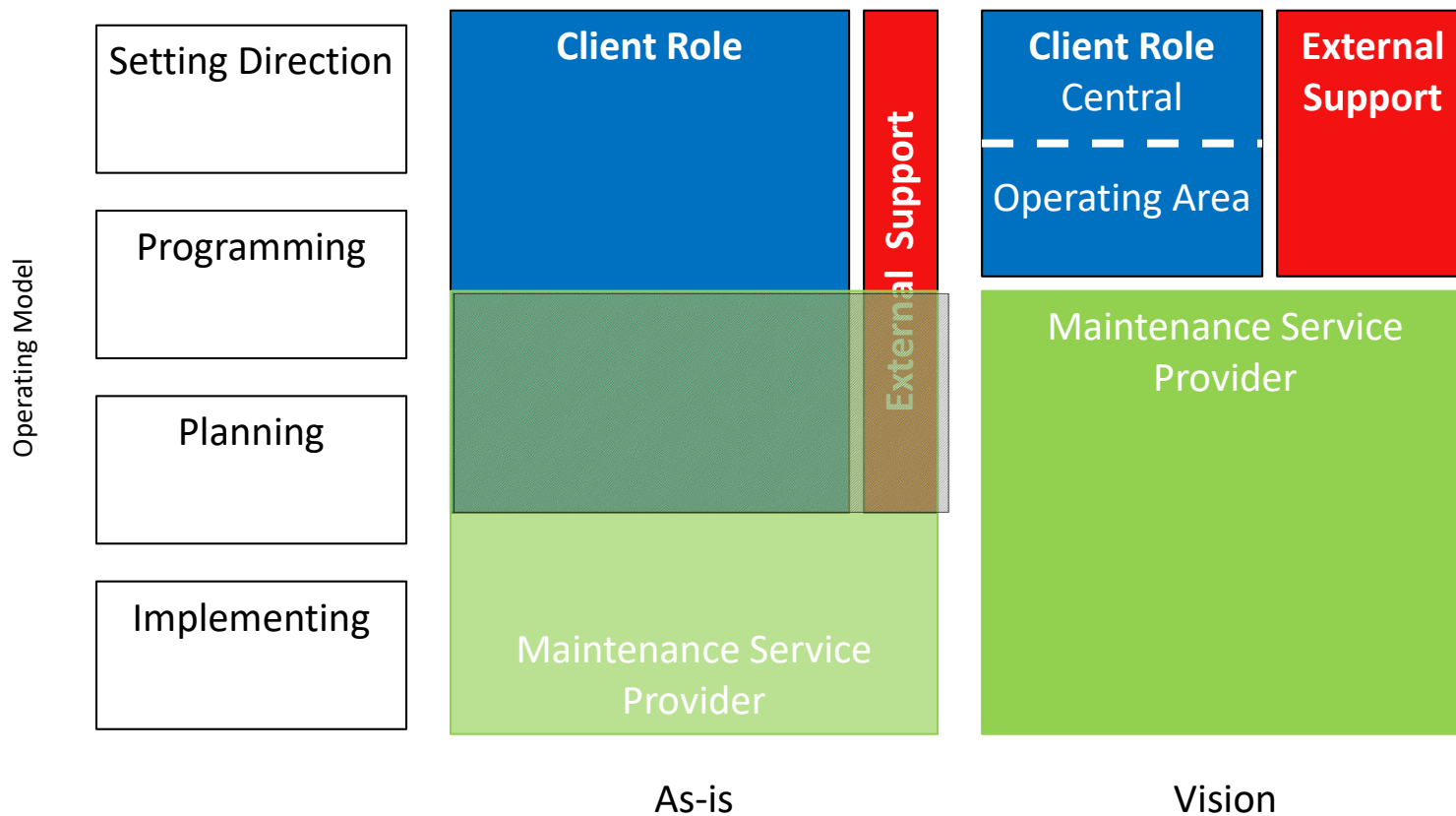
FTE by Function



Focus on Essential Activities and Clear Responsibility



Focus on Essential Activities



Thin Client Option (under 100 staff)

Central

- Asset management/Programme office
- Audit and assurance
- Performance reporting
- Business Policy & Strategy
- Commercial team
- Orders team
- Spatial Planning
- Communications
- Asset management managed service
- Communications managed service
- Abnormal loads management
- Emergency planning
- Winter service management

Staff: 50

Operating Area Teams

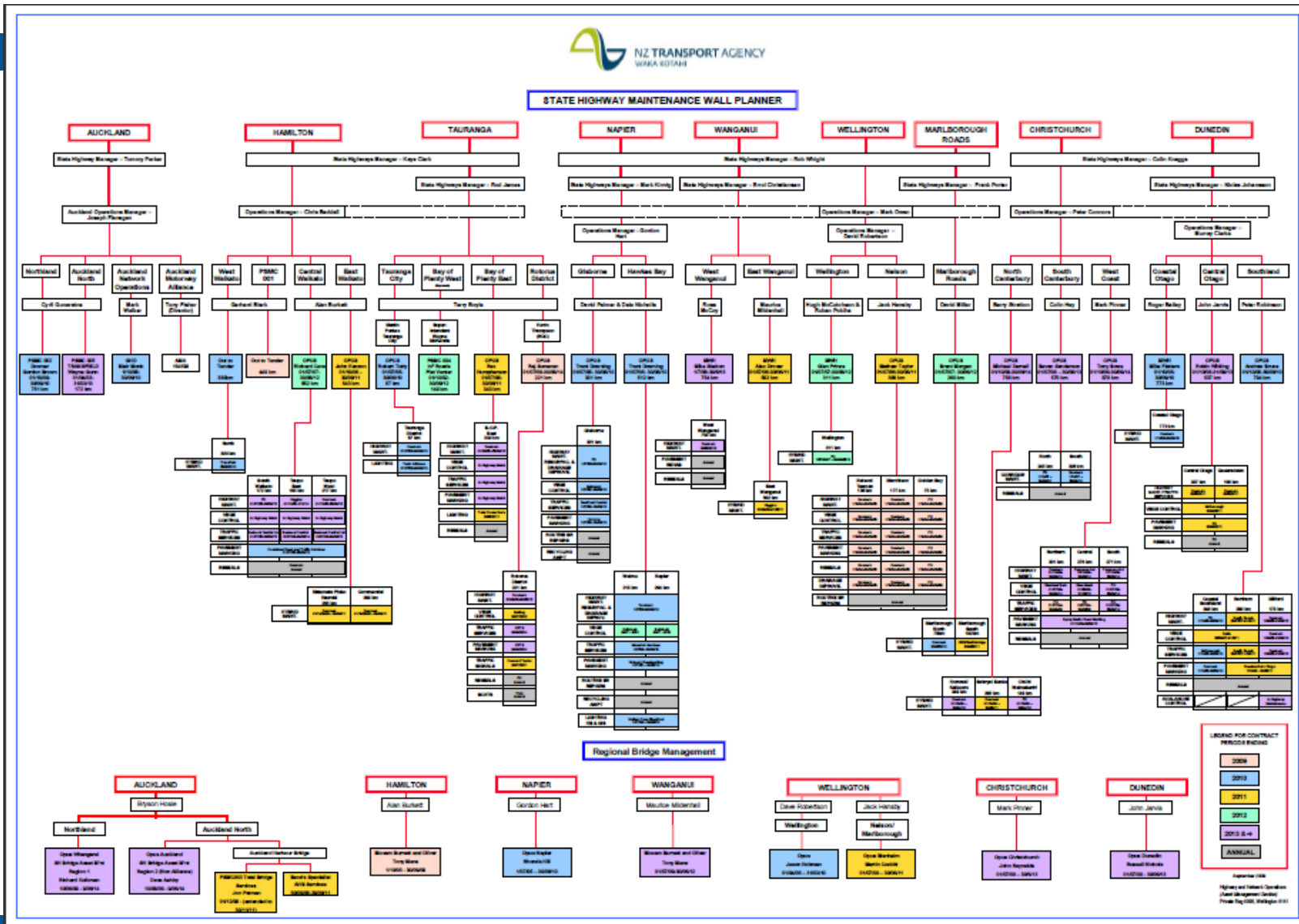
- Financial management
- Contract management of MAC contract
- Responsibility for delivering agreed level of service
- Focus on commercial performance management (outcome and output)
- Stand or fall together with MAC – fully aligned targets

Staff: 7 x 5 (35)

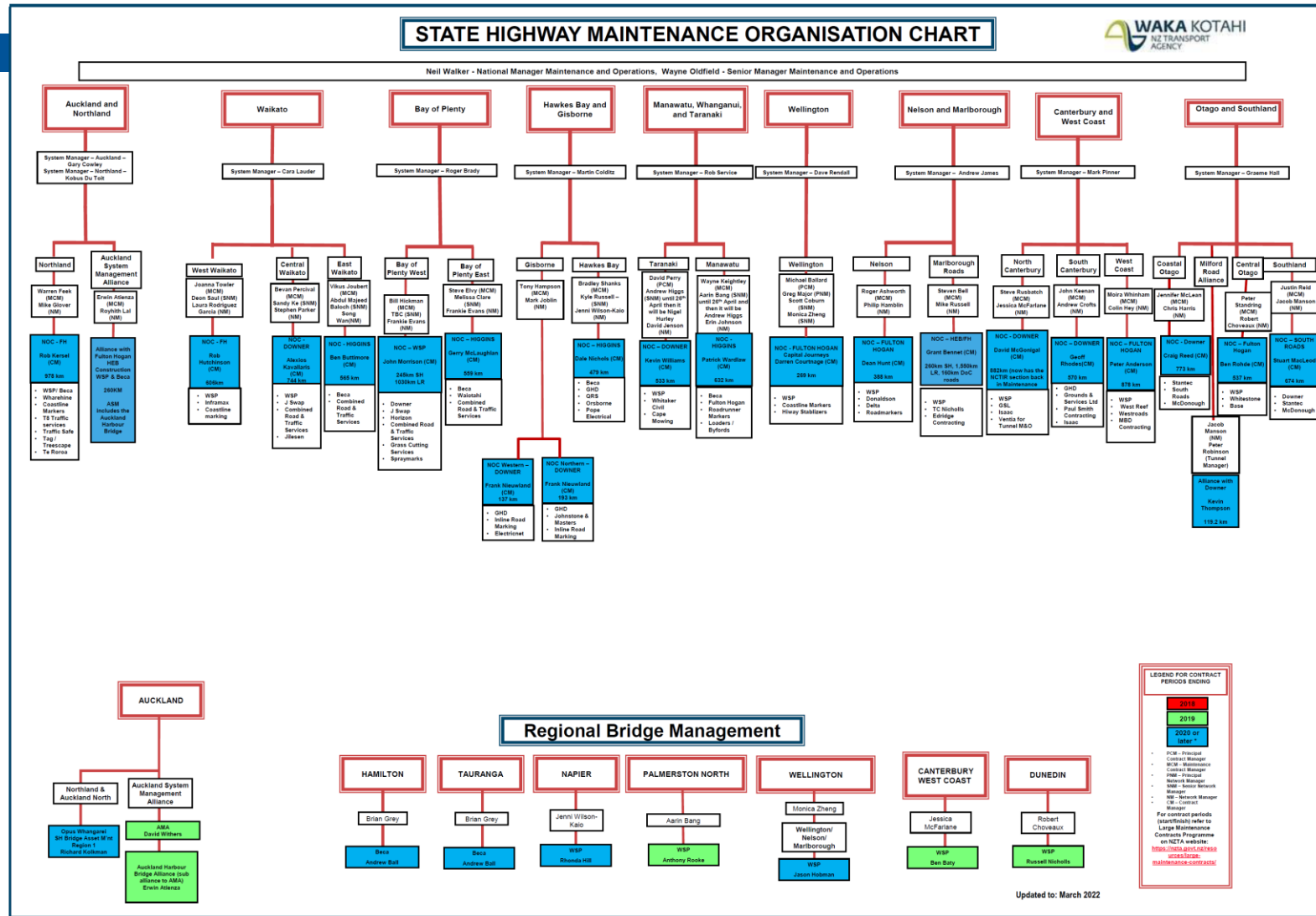
Example – NZ 10 Years Ago

- NZTA
 - 10,000 km network
 - 50 staff involved
 - Heavy reliance on consultants
 - Major user of performance based and hybrid style contracts for the maintenance and renewal of the network.

Org Chart 10 Years Ago (less than 50 FTEs)



Current Org Chart



If Moving to a Thin Client Model

• What you will lose

- Duplication (verification function)
- Direct control of implementation activities
- Opportunity for micro-management of decisions at all levels
- Short term flexibility

• What you will gain

- Efficient delivery of levels of service
- Removal of liability for actions on the ground
- Focus on governance and strategic vision
- Long term surety

Summary

- RAM can function within a number of business models
- Should be part of the overall strategic planning of the road authority
 - What type of client do you want to be?
 - Governance/management, or directive?
 - What style of maintenance and renewal contracts do you want to use?
- Questions:
 - Does the road authority have a view as to whether it has too few/many staff involved in managing the road assets?
 - Does your current structure reflect a deliberate strategy, or an organic growth as a result of staff you have?
 - Are there any particular training or skills that you would like external assistance with?



Questions

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