

# Road Asset Management (RAM)

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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?

- 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?



# 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

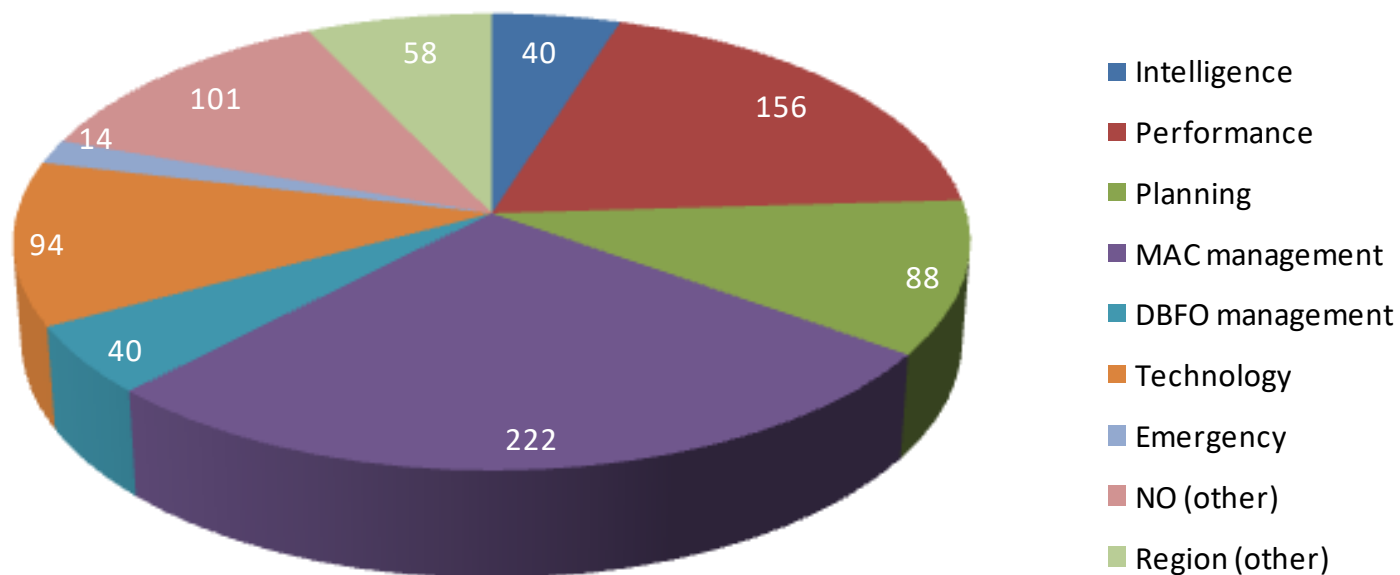
- Public facing correspondence
- Public exhibitions for LNMS,
- Public Inquiries that result from Orders
- Consultation for projects
- Project sponsorship for projects
- Financial control
- Tracking and production of area KPIs and performance indicators
- Local Authority liaison

DBFO  
Staff: 40

Area Team Staff: 12 x 18.5 (222)

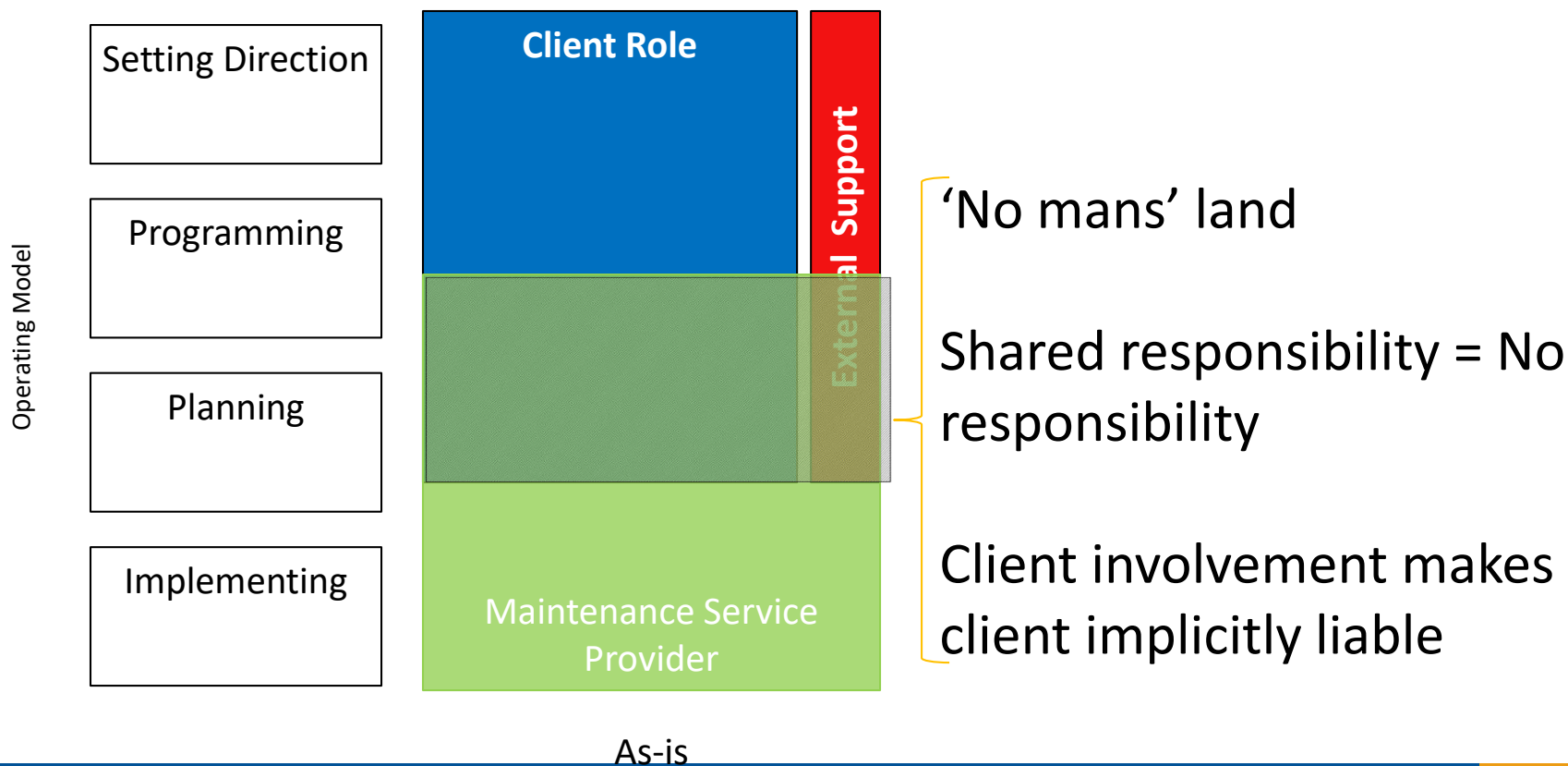
# Example Functions

## FTE by Function

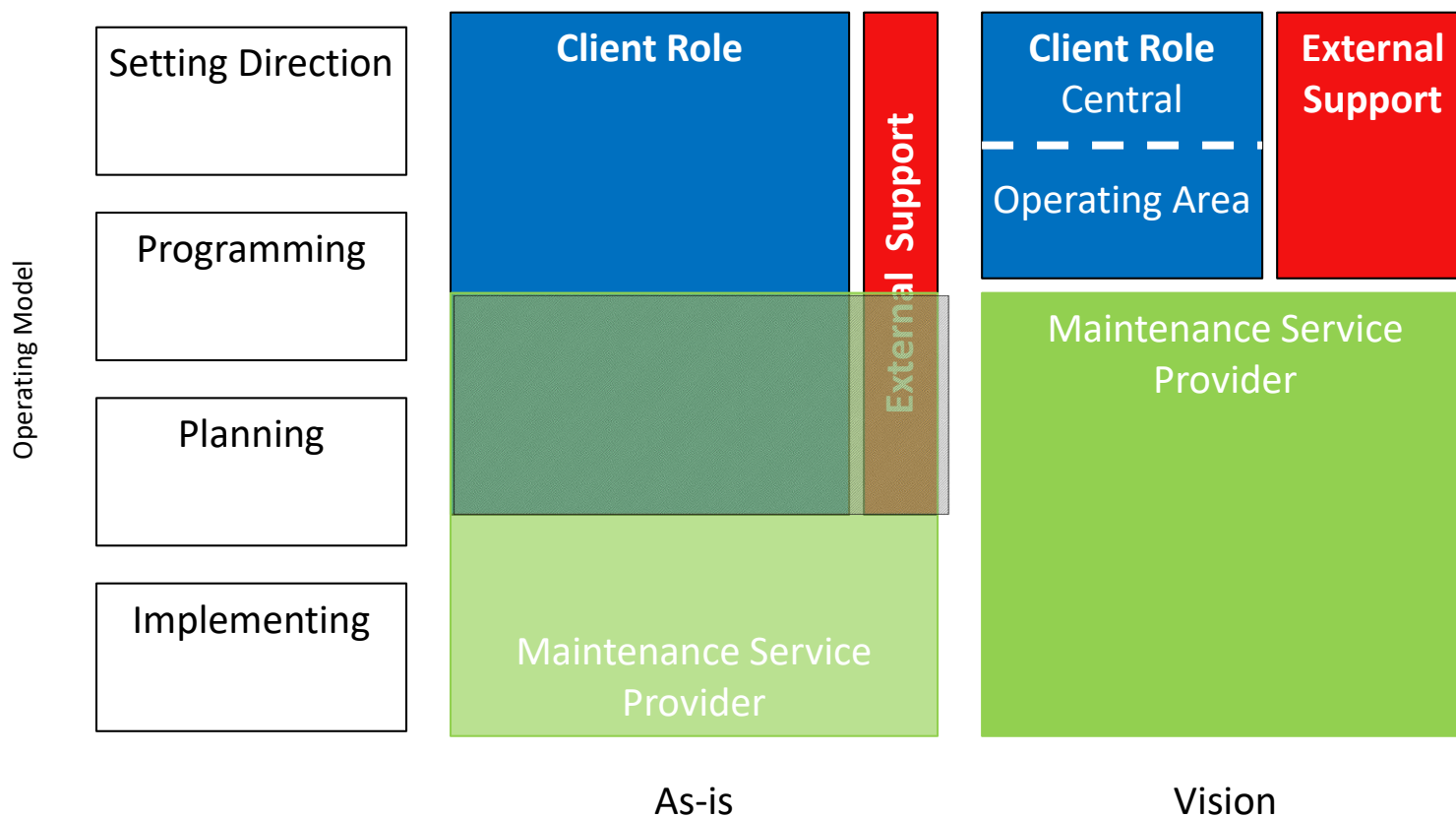




# Focus on Essential Activities and Clear Responsibility



# 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

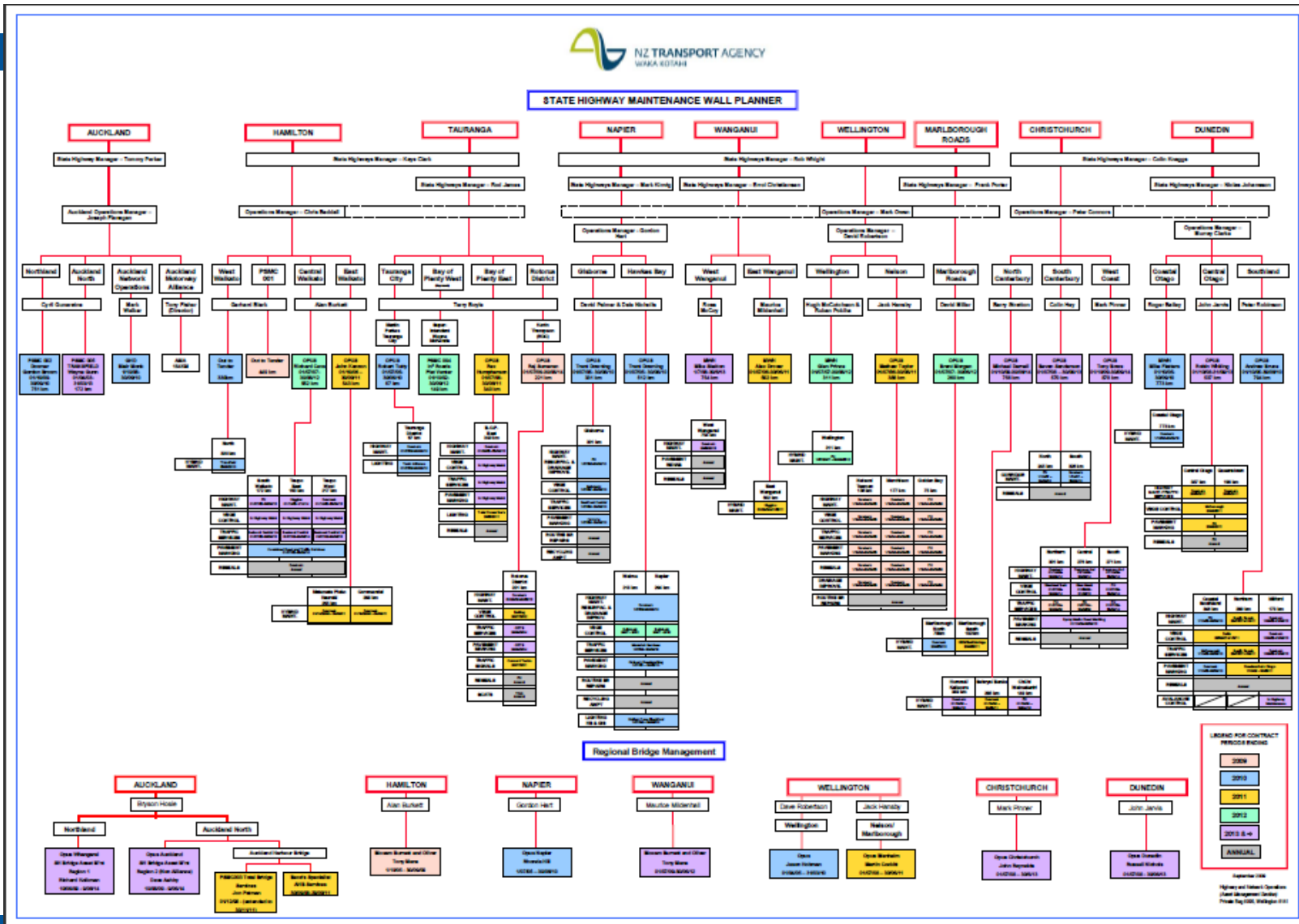
- Financial management
- Contract management of MAC contract
- Responsibility for delivering agreed level of service
- Focus on commercial performance management (outcome and output)
- Stand or fall together with MAC – fully aligned targets

Staff: 7 x 5 (35)

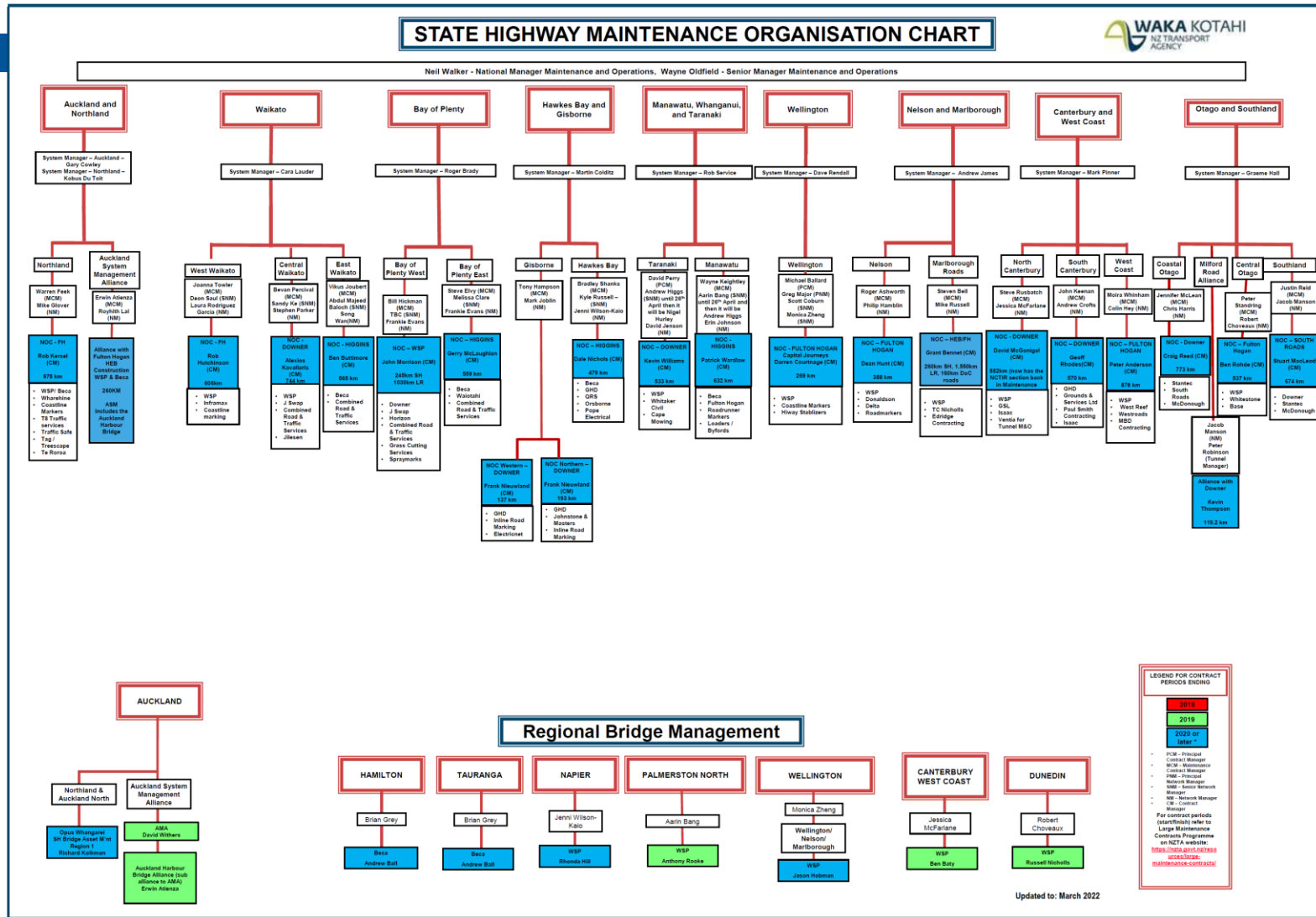
# Example – NZ 10 Years Ago

- 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

- 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?



# Who Does What?

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



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



# Questions

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