ASSET MANAGEMENT IN MALAYSIA - OPPORTUNITIES & READINESS -

Facility Management in the Government Sector

Ir. ADANAN MOHAMED HUSSAIN
PENGARAH KANAN
CAWANGAN KEJURUTERAAN SENGGARA
JKR MALAYSIA
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• GOVERNMENT ASSET MANAGEMENT STRATEGIES
• GOVERNMENT ASSET MANAGEMENT CONCEPT
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OBJECTIVES OF GOVERNMENT ASSET MANAGEMENT

• Creation and Maintenance of Assets able to support the continuous and smooth Government delivery system.

• Systematic, holistic and sustainable approach in Asset Management are uphold in optimizing the asset values.

• Systematic, complete, accurate and data with integrity is always available; and

• The Total Asset Management practice is implemented and monitored.
ISSUES

• Former PM and Public Works Minister concern on the Government’s Asset conditions

• Auditor General findings on the high risk of Government Asset due to poor maintenances

• Media frenzy on the Government’s asset breakdown.
COMPREHENSIVE GOVERNMENT AM STRATEGIES

STARTING BLOCK - NAFAM 2007 RESOLUTION :

1. Create the Government Asset Management Framework & Policy

2. Create the Mechanism/System to monitor the Functional Status of Assets

3. Improve the procurement process of asset management services

4. Formulate the Financial Model for Asset Management; and

5. Develop the competencies in Asset Management
CONCEPT IN FORMULATING GOVERNMENT ASSET MANAGEMENT TOWARDS BEST PRACTICE
INFRA ASSET
WHOLE LIFE CYCLE

- AM
- PM
- FM
OPPORTUNITIES IN FM

• To optimized the values of assets throughout its service life

• To have an effective control over Quality & Cost of services rendered

• To enable agencies to focus on its main functions and objectives – Core Businesses

• To ensure effective resolution of asset’s issues - single point of contact and single point of accountability

• To create FM as one of the engine in economic growth

• To generate expert and abled HR in FM to compete outside Malaysia

• To inculcate Sustainability in FM
### READINESS OF GOVERNMENT & INDUSTRY

#### PEOPLE

<table>
<thead>
<tr>
<th>GOVERNMENT</th>
<th>INDUSTRY</th>
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<tbody>
<tr>
<td>1) 33 JKR professionals with M.Sc AM/FM</td>
<td>1) Cooperation with IPTAs</td>
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<td>2) 20 nos. will graduate before end 2011</td>
<td>2) Built Faculty in IPTAs</td>
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<td>3) 10 nos. will start Ph.D in Asset Mgmt in 2011</td>
<td>3) Training in FM for contractors</td>
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<td>4) JKR Maintenance professional at State and District Levels</td>
<td>4) Active Promotions of AM/FM via Seminars</td>
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<td>5) Road Shows to all Govt Agencies</td>
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<td>6) AM/FM Seminars</td>
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## READINESS OF GOVERNMENT & INDUSTRY
### - SYSTEM & PROCESS

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<tr>
<td>1) Established Policy &amp; Best Practices in AM/FM</td>
<td>1) Improved its FM capabilities</td>
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<td>2) Asset Mgmt Procedures</td>
<td>2) Increased competitive edge</td>
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<tr>
<td>3) CoC for Govt FM Contract</td>
<td>3) Utilization of Guidelines developed by Govt</td>
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<td>4) Realistic Yearly Budget Plan Estimation</td>
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<td>5) Asset Condition &amp; Performance Rating Guidelines</td>
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# READINESS OF GOVERNMENT & INDUSTRY - TECHNOLOGY : APPLICATION SYSTEM

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<tr>
<td>1) mySPATA – Registration Module</td>
<td>1) Use of CMMS &amp; mySPATA</td>
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<tr>
<td>2) Development of O&amp;M Module</td>
<td>2) Act as Consultants in Asset Registry</td>
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<td>3) Decisions based on facts</td>
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<td>4) 25,000 Premises has been registered</td>
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<td>5) Agencies has started to register assets up to component level</td>
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<td>6) Agencies’ technical capacities are being strengthened</td>
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### READINESS OF GOVERNMENT & INDUSTRY

#### GOVERNANCE

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<tr>
<td>1) Setting up of Asset Mgmt Unit</td>
<td>1) Acting as consultant in FM</td>
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<tr>
<td>2) Asset Mgmt Practices Audit</td>
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<tr>
<td>3) CIDB classification of contractors in FM</td>
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- GOVERNMENT
  - Setting up of Asset Mgmt Unit
  - Asset Mgmt Practices Audit
  - CIDB classification of contractors in FM

- INDUSTRY
  - Acting as consultant in FM
ENABLING FM VIA FM CONTRACT

CONCEPT OF FM CONTRACT

CUSTOMER FOCUS

MANAGEMENT ACCORDING TO REQUIREMENTS

SYSTEMATIC AND HOLISTIC

KPI (AGREED SERVICE LEVEL)

CONTINUOUS IMPROVEMENT

TERMED CONTRACT
ROLES & RESPONSIBILITIES IN FM CONTRACT

**ASSET OWNERS**

- Strategic Asset Plan – Service Delivery

**ASSET MANAGERS**

- Ascertaining Service Level
- Asset Management Implementation Techniques
- Consultant in Strategic Asset Planning
- Management in Asset Registry & Reporting
- Control & Monitoring of Contractors.
FACILITIES CONTRACTORS

- Implement the Operations & Maintenance
- Ensure the ASL is achieved
- Evaluate the Condition & Performance of Assets
- Repair & Upgrade of Asset
- Prepare & Update Asset Information
OPPORTUNITIES IN ENABLING SUSTAINABILITY WITHIN FM

• Energy Management in FM Contract

• Energy Performance Contract

• Energy Performance Contract within FM Contract

• Retrofitting of Existing Assets Govt Funded or PPP/PFi:
  – Active
  – Passive
OPPORTUNITIES IN THE INCLUSION OF MAINTENANCE CONTRACT IN BUILDING WORKS

• Ensuring better construction quality

• Continuation of responsibilities and management

• Maximizing asset data utilization via BIM & conventional method
CONCLUSION

• All Government Agencies need to uphold the Government Asset Management Policy

• JKR is in the best possible position to realize the opportunities in FM

• The industry must react positively and give a push to the Government challenge in its charge towards Asset & Facilities Management best practices

• Sustainability should be introduced throughout the Asset Life Cycle to achieve the country’s commitment of 40% CO₂ reduction by 2020
THANK YOU