

country, and the world over, are still struggling to do more with less in terms of Asset Management.

This year will be a first for The Canadian Network of Asset Managers (CNAM) with the launch of our hybrid conference format. This unique opportunity will allow for attendees to register to attend the conference in-person in London, Ontario or purchase a virtual registration.



You will not want to miss out on our in-person Monday Social, Welcome Reception and Awards Gala. We will have a virtual option for our Awards Gala.

Get back out there and take this opportunity to elevate your Asset Management knowledge and expand your personal network by participating in presentations, workshops, networking and visiting exhibitors in an in-person or virtual environment. This will be a unique conference to collaborate and grow with our peers and to celebrate the small victories of the last year, while charting for a brighter future!

What's in a WORD:

The word 'Plan'

*'Opinion' by: Wally Wells P. Eng.
Executive Director [Asset Management BC](#)*

This column addresses our language of asset management and the use of terms. Do we use them correctly or are we creating a new language and meaning when it is not necessary? Is this part of our communications problem? I think so. Based on dialogue with many, this article reflects the writer's opinion of what we see and hear.

"Asset Management", itself, is an awkward term. We have managed assets for decades and understand what that is and what we are doing. Suddenly we took two very simple words, reversed them, and went from managing assets to asset management. The result? We confused everyone.

Too much attention is given to only the Asset Management Plan as opposed to all elements of the process. Even then, should we be calling the outcome the 'Asset Management Plan'? It is likely too late to change our words, but we do

need to be careful in how we communicate what we do and what the expectations are for positive results.

A Plan usually talks about things in the future with choices on both potential services, assets to provide the service, costs and timing premised often on growth assumptions. These are usually called Master Plans and are related to specific services or asset classes. For decades, we have trained our elected officials to understand the decision process and flexibility available for them when presented with a Master Plan. In a 'futures' document, based on existing inventory and services premised on growth and growth strategies of what MIGHT be needed, the Master Plan defines and documents the options and cost to do so and when the service/ assets will be required to be operational. Councils have choices of doing or not doing the recommended activities based on growth and service needs. There is often few consequences and little risk in doing or not doing the suggested activities outside of accommodating growth.

The same flexibility, risk and consequences of a decision are not the same with the Asset Management Plan. The plan, other than based on "futures", is based on existing services and service levels. So why call it a plan? The AM plan addresses life cycle assets related to the service they provide and the basis for capital replacement and/or upgrade over time, a very different set of circumstances. The risk and consequences of not taking action are substantially higher and more consequential than the Master Plans referenced above

An AM plan is not the same as a master plan. There are two parts to an AM Plan. The first part is the inventory, condition assessment and estimated life of assets translated into the cost both in dollars and time to renew, upgrade or decommission. At this point it does not deal with resources available and the ability to pay. It just deals with what is needed to continue to provide EXISTING services at existing level. The second part of the 'plan' is not a plan but a strategy document. Instead of choices, it really, at least implicitly, deals with the risk and consequences to the community of doing or not doing things.

For decades we have trained our elected officials how to think and what to do with a plan. But now, with the Asset Management Plan, we want them to do something completely different. No wonder they are confused. The decision from the AM plan and strategy are tested against service with risk and consequences.

Our approach to communicating with Council what to do with the plan and recommendation is extremely important as we are really retraining them. Keep this in mind when you present your "PLAN" to Council.