

WHITE PAPER

Discovering the Asset Management Maturity Model

Reduce Inventory Effort by 90%, Achieve 99% Accuracy, Measurable ROI in less than 12 Months





Table of Contents

The Challenge	3
Business Goals of Asset Management	4
Asset Management Capability Maturity Model	5
Step 1: Where Many Companies Find Themselves, the No Process Stage.....	6
Step 2: The Reactive Stage, Where, Along With the No Process Stage, the Majority of Companies Find Themselves.....	7
Step 3: What Every Company Needs to Achieve in Phase 1, The Proactive Stage	8
Step 4: Going Beyond Phase 1 into Your Future, the Service/Value Oriented Stage	9
Service/Value Oriented Stage – Asset Management Integration.....	10
Service/Value Oriented Stage – ACS Integrated Architecture	11
Service/Value Oriented Stage – Conclusion	12
Some of the People We're Helping	13

The Challenge

Companies are coming under increasing pressure to:

- Cut costs
- Enhance asset security
- Increase regulatory compliance
- Improve their asset auditing procedures

To meet these demands, organizations are turning away from legacy paper /spreadsheet based manual methods and turning towards modern Asset Management systems.

Managing assets continues to get more and more difficult due to the rapid growth of mobile devices, increased personnel turnover, and the need for greater computing power for both internal and external applications. The relatively short life cycle of many assets, the need to service manufacturing and other assets, along with the need to upgrade assets due to continual technological improvements adds to the challenges every organization faces in regard to their asset tracking and management needs.

Asset managers' main challenge is to take responsibility for the life cycle management of assets throughout an organization. This includes development and maintenance of policies, standards, processes, systems, and measurements that enable an organization to manage their Asset Portfolio. Risk, cost, control, governance, compliance, and business performance all must be taken into consideration.

When done right, savings such as those at the State of Michigan DTMB are possible. From their LowryTrack implementation of ACS with RFID technologies they are realizing savings of \$160,000.00 annually, as well as enhancing their asset security and improving their asset auditing procedures.

The State of Michigan DTMB is realizing \$160,000 in savings annually using LowryTrack ACS with RFID for tracking its IT assets.

Business Goals of Asset Management

Asset Management affects all branches of an organization including financial, contractual, and inventory to support life cycle management and strategic decision making for the organization.

The business goals of Asset Management apply uniformly throughout all departments of the organization. Among the most important are the following:

- Gain control of the inventory
- Increase accountability to ensure compliance
- Enhance performance of assets and their life cycle management
- Improve availability time of the business/applications/processes
- Uncover savings through process improvement and support for strategic decision making

Asset Managers must control costs and improve performance and accountability of assets.



Asset Management Capability Maturity Model

The table below represents the various stages of Asset Management Maturity. All organizations fall somewhere on this chart, anywhere from a state in which no plan or system is in place to manage their assets, all the way to full Service/ Value Oriented Asset Management.

Take a moment, start with step one, and review each characteristic; make your way up the ladder and when you find the characteristics that match your company's current state, look to the right to determine your current savings and where you stand versus your peers. Then, proceed to the next step and determine your potential savings by moving up the maturity model.

Where are you on the Asset Management Capability Maturity Chart?

Steps of the Ladder	Characteristics	Savings Observed	Company Distribution
No Process	<ul style="list-style-type: none"> No formalized process No formal approach to asset management Lots of wasted time and energy 	Losses from 5-45%	
Reactive	<ul style="list-style-type: none"> Firefighting mode as everything's not quite working as you'd like Beginning of defined and implemented policies though you've a ways to go Basic process development, maybe some automation but very limited, sometimes processes are followed, sometimes not so much Still too much time spent on activities that are ripe for process improvement and streamlining 	5% Savings	75% of companies are No Process or Reactive
Proactive	<ul style="list-style-type: none"> Formalized processes in place and followed Policies and Procedures are linked driving employee participation Centralized Asset Repository Automation taking shape including automated data collection Vast improvements in time savings being realized 	15-20% Savings	20% of companies are Proactive
Service/Value Oriented	<ul style="list-style-type: none"> Asset management integrated with back-end systems (e.g. Procurement, HR, Finance, Help Desk, CMDB, Preventive Maintenance Modules) Leveraging cross-organizational information More automation, operational savings spreading across departments Utilizing cross-organizational and cross-discipline techniques to maximize asset value and minimize costs Tracking and realizing concrete savings across the company 	35-45% Savings	5% of companies are Service/Value Oriented

Figure 1: Asset Management Maturity Model - Source: META Group

Step 1: Where Many Companies Find Themselves, the No Process Stage

Unfortunately, this is the stage that many organizations will find themselves. At this stage, the organization finds itself trying to keep track of an ever-growing inventory of assets of all sizes and shapes with no real plan or organized process.

If this describes your situation, there is good news: you have the opportunity to immediately start turning things around. There are simple steps you can take that will quickly deliver impressive results.

The desperate situation too many organizations are finding themselves in.

The Solution:
LowryTrack Asset
Control System

From the bottom of the ITAM Capability Maturity model there is only one way to go... up! Implementing LowryTrack's ACS as a stand-alone asset management solution will boost you up the chart all the way to the Proactive stage. From there, over time, ACS can be further integrated into your existing ERP and other system(s) to achieve the highest levels of asset management maturity.



Figure 2: No Process - "Chaos"

Step 2: The Reactive Stage, Where, Along With the No Process Stage, the Majority of Companies Find Themselves

At this stage, the organization has begun to acknowledge that a plan of some kind needs to be implemented to get a handle on the vast number of varied assets that have been accumulating at an ever growing pace. Perhaps some initial policies have been drafted and are starting to be implemented. Maybe even some spreadsheets holding increasingly difficult to maintain asset lists.

Unfortunately, this may be a case of “too little, too late”, and the organization finds itself more and more resorting to “firefighting mode.” If you find that this describes your situation, there is still hope — you have acknowledged the problem and begun to address it, but you recognize that much more remains to be done.

Just beyond “Chaos”,
but still not where you
need to be.

The Solution:
Moving up the Maturity
Model to the Proactive
State Lowry’s Asset
Control System

Again, implementing LowryTrack’s ACS at this stage can quickly put you on the path to gaining control of your myriad assets and moving you up the Asset Management Maturity Model to the Proactive level. With ACS you now have the means to not only implement policies and procedures but track and manage them.

By taking advantage of Lowry’s software and engineering services you can, over time, further customize the ACS solution to achieve the Service/Value Oriented maturity levels.

Figure 3: Reactive Stage - “Firefighting”



Step 3: What Every Company Needs To Achieve In Phase 1, the Proactive Stage

At this stage, the organization has begun to get a handle on its assets. Formalized processes are now in place and policies and procedures are linked.

This is the position that a basic stand-alone implementation of ACS can achieve for you. Consider the power of that statement; even the stand-alone implementation of LowryTrack ACS can help you climb the ladder to the minimum that every company needs to achieve – the Proactive Stage.

Better yet, if your organization is already at the Proactive stage, implementing ACS and using its API to integrate with other components of your asset management systems, along with your ERP and other Corporate systems, can take you to the highest levels of asset management maturity.

Your first project should make you Proactive. Contact Lowry to discover how we can help you make this happen.

Figure 4: Proactive Stage - Moving Forward



ROAD TO SUCCESS
NEXT EXIT ↗

Step 4: Going Beyond Phase 1 into Your Future, the Service/Value Oriented Stage

Once an organization moves beyond the Proactive stage and achieves the “Service/ Value Oriented” stage, you will achieve the highest rewards possible.

The best way to climb the ladder to such heights is to systematize, automate, and standardize; though you’ll likely need help from experts to achieve the Proactive Stage and, to go beyond. Lowry can help you with this through our expertise gained over the past 40 years working in automated data collection and asset tracking.

In the next few pages you’ll learn more about the Service/Value Oriented stage, and how Lowry can help you achieve this highest step on the Asset Management Maturity Model with its LowryTrack ACS solution that will help you systematize, automate, and standardize your asset management needs.

Nirvana, achieving the highest levels of the Asset Management Maturity Model

Figure 5: Moving Forward with Lowry Consulting





Service/Value Oriented Stage – Asset Management Integration

In its role as the core component of a comprehensive Asset Management deployment, LowryTrack ACS provides some or all of the following depending on your needs and goals:

- Integrates with Procurement systems
- Integrates with the system monitoring and usage tools
- Coordinates asset inventory and assignment to assist in Change Management
- Tracks asset inventory and service bundles to improve Help Desk
- Coordinates with VAR catalog functions to allow receipt of asset data as assets are procured
- Tracks the movement of assets from location to location

LowryTrack ACS
is the core of your
asset management
platform.

Service/Value Oriented Stage – ACS Integrated Architecture

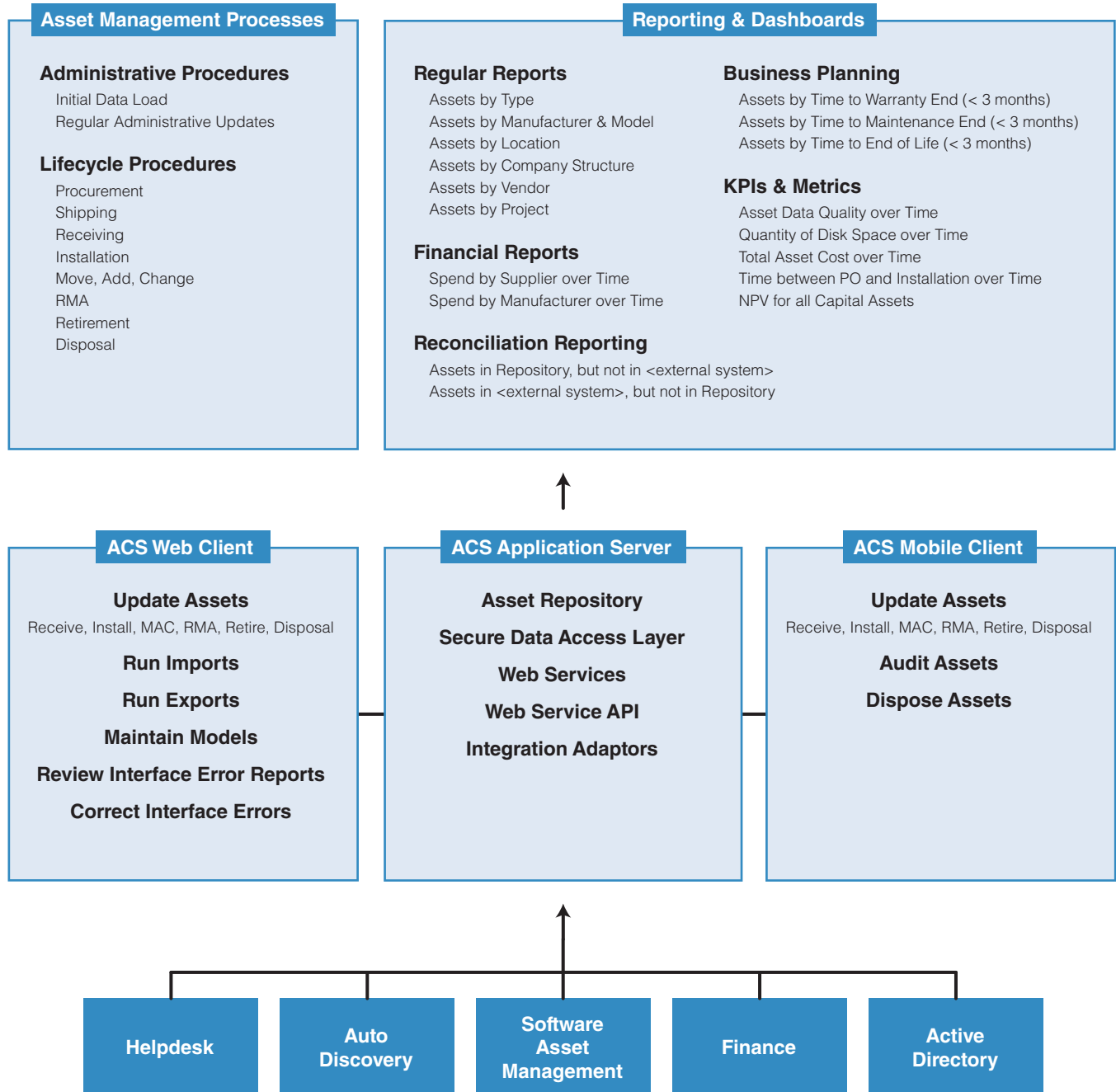


Figure 6: ACS Integrated with other corporate systems for Service/Value Oriented stage

Service/Value Oriented Stage – Conclusion

A stand-alone implementation of ACS that takes you immediately to the Proactive Stage can serve as the basis from which you can move to the highest levels of Asset Management Maturity including the Service/ Value Oriented level. At this state of asset management maturity you will see:

- Savings through process improvement
- Support for strategic decision making
- Increased control of the inventory
- Increased accountability to ensure compliance
- Enhanced performance of assets and their life cycle management
- Improved availability time of the business/applications/processes

Achieving the highest levels of the Asset Management Maturity Model

If you are not at this high stage of asset management maturity, Lowry can help you get there, no matter where you are at present on the Asset Management Maturity Model.

Whether your losses from falling behind on the asset management maturity model are in the 5% range, or all the way up to the 45% range, we have the ways and means to help.

Lowry Solutions has the products and services to help you reduce your inventory effort by 90%, achieve 99% accuracy with your inventory, and attain a measurable ROI in less than 12 months.

Nevertheless, in the last analysis, you must decide how far you want your organization to move. The Service/ Value Oriented stage is not necessarily for everyone. That being said, remember that no matter what level of Maturity you aspire to, all organizations will benefit from achieving, at the very least, the Proactive stage. This is the stage that a stand-alone implementation of ACS guarantees; along with a high ROI.

About Lowry – Some of the People We’ve Helped

First off, thank you for considering Lowry Solutions as your source for information regarding your asset tracking/ management needs.

Since 1974, Lowry Solutions has been an industry leader in Automatic Identification and Data Capture (AIDC) system integration. As an award winning Premier AIDC Systems Integrator, Lowry is committed to ensure we are building upon and providing our customers with dynamic solutions that meet the needs and requirements of their business.

Some of the customers we’ve helped achieve Proactive or Service/ Value Oriented asset management maturity levels include the following:



Automotive

- Vehicle Tracking
- Parts Tracking
- Test Lab Equipment Tracking

Aircraft, Space, and Industrial Application

- Tool Tracking with Calibration Interface

State of Michigan

- IT Asset Tracking with CMDB Interface

Municipality

- IT Asset Tracking with Mapping Functionality

Financial Services Credit Union

- IT Asset Tracking
- Fixed Asset Tracking

Financial Services Document Custodian

- File Tracking

Marine Corps

- File Tracking

Criminal Investigations Lab

- Weapons Tracking

Designer Clothier

- Creative Assets with SAP Interface

Global Silicones Provider

- Material Tracking with SAP Interface



Given the breadth of customers we work with and the verticals we support (remember, asset management is a vital discipline across all verticals), Lowry tailors each project to the individual needs of each organization. This mindset is evident in the LowryTrack ACS product itself, which is built from the ground up for scalability and configurability. It is also expressed in the full suite of product and service offerings available at Lowry Solutions, which help us provide you a successful implementation regardless of your needs, be they focused in hardware, software, training, services, or some combination thereof.

Also, the customized Lowry Dynamic Systems Development Method (DSDM) Agile Implementation methodology is the underlying strength of our successful implementations. This methodology allows for a thorough and complete testing and “Go-Live” process while also providing the detail necessary for future functionality considerations and possible expansion to other areas within a customer’s organization. Training, along with ongoing maintenance of the in-production solutions, is also addressed in the process.

Through this pragmatic approach, Lowry eliminates waste from the outset, adds value at every stage, and embraces change to produce a better solution. Lowry has multiple years of experience working with customers from diverse backgrounds and understands that not everyone is fully versed in the combined Agile Implementation methodology. Lowry therefore is committed to working with its customer’s team to further demonstrate the benefits of the Agile Implementation process.

At Lowry Solutions, our FOCUS always remains helping our Customers become more efficient and productive by applying technology solutions to our customers business that will increase productivity, reduce costs, and improve their customer service.

For more information, contact us at (888) 881-2477 or visit us online at www.lowrysolutions.com.



Lowry Solutions, Inc.

(888) 881-2477

info@lowrysolutions.com | www.lowrysolutions.com