

## Optimising Asset



by Engr. Abi Sofian bin Abdul Hamid

Dear Readers

One of the definitions of Asset in business term is anything of material value or usefulness that is owned by a person or a company. The key word here is usefulness. How do we ensure that the asset is useful? First it must be fit for purpose, not only when it is acquired but throughout its designed life. In engineering standard the life term may range from twenty-five to even fifty years.

Over the years, there have been many approaches considered and taken to sustain the usefulness of one's asset. Most of them are related to the way the asset is maintained. Terms such as Total Quality Management (TQM), Condition Based Monitoring (CBM), Preventive and Predictive Maintenance (PM) and even Corrective Maintenance (CM) have been used to reflect the desire of technical teams to ensure that a particular asset is fit for purpose as long as possible. Asset Lifecycle is probably one of the latest trends or approaches in optimizing the usefulness of an asset. With proper execution of the relevant methodology, the Return on Asset (ROA) and Return on Investment (ROI) values would benefit the company and its shareholders.

The challenge for engineers actually does not start the moment the asset is delivered to the premise. In fact, it should start well before that when the conceptual design was first mooted. So often that this predesign stage overlooked the

requirements for maintenance stage. As a result, modification or variation had to be done to improve the asset lifecycle. The main reason is probably the exclusive nature of the design and maintenance groups. As professionals, engineers should strive to widen their knowledge beyond the traditional outlook. Designers should not limit themselves to theoretical applications and likewise the operators or maintenance experts should be able to share and impart their knowledge and expertise so that the end result is one of unity!

While a lot of progress has been made in improving the lifecycle of fixed assets be it properties, plants or equipment, there are still a lot more need to be done for the other asset, namely human capital. We used to hear that employees are the best asset of a company but is this still true today? Without doubt, we could have the most sophisticated and intelligent building, equipment and maintenance system but if it is not matched with equally intelligent, skilled and versatile workforce to execute all the programs would we be able to optimize our ROA and our ROI?

Please share your thought. ■

Warm Regards

*The Editor*

## ANNOUNCEMENT

### VOTING PAPERS FOR COUNCIL ELECTION SESSION 2011/2012

Voting papers for the Election of Council Member for Session of 2011/2012 will be posted to all Corporate Members in March 2011. Following the close of nominations on 30 December 2010, the election exercise will be in progress. All Corporate Members are to take note of the requirements of Bylaw Section 5.11.

*The voting paper shall, not less than twenty-eight (28) clear days before the date of the Annual General Meeting be sent by post to all Corporate Members residing in Malaysia and to any other Corporate Members who may in writing request to have the paper forwarded to him. The voting paper shall be returned to the Honorary Secretary in a sealed envelope so as to reach him by a specified date not less than seven (7) days before the Annual General Meeting.*

It is expected to send out the voting papers by 1 March 2011 in compliance with the requirements of Bylaw Clause 5.11 above. The voting papers will be sent by post to all Corporate Members residing in Malaysia

**Any Corporate Members residing outside Malaysia, who wish to receive voting papers, are advised to write to the Honorary Secretary on or before 25 February 2011.**

Regards.

**Y. Bhg. Dato' Ir. Pang Leong Hoon**  
Election Officer, IEM