



**CERTUS**

# University of Auckland minimises asset risks with IBM Maximo

Like a small city council, a university must invest in infrastructure and construction and address the challenges posed by a shifting population. It must also maintain and offer access to facilities and computer networks for its faculty and students while providing them with privacy and security, all in an environment of constant change.

Tracking and maintaining a complex register of assets and properties requires an enterprise-quality application that can easily be updated and efficiently upgraded. The University of Auckland was approaching the tenth anniversary of its implementation of version 4 of Maximo for asset management. In the meantime, Maximo had progressed to version 6, but property services was still using the outdated version in standalone mode, managing it in-house, so it was something of a 'black box' to the rest of the University. Additionally, the product had been substantially customised by its users, largely on an ad hoc basis.

In the intervening years, the University's property services division had grown, as had its asset base. But while Maximo had become integral to the University's systems, no integration with PeopleSoft, its core financial management information system (FMIS), had been envisioned. This would be required in the future if the asset register was to provide the same transparency and visibility as the University's other financial processes. But progressing from a highly customised version of Maximo would prove challenging.

## OVERVIEW

Existing Maximo version 4.0.3 user the University of Auckland upgrades to version 6.2.1 to redefine business processes and to further deploy Maximo across its complex array of property assets.

## CHALLENGE

The University needed more control over job costing and project tracking; financial rigour and consolidation between the asset register and the financial systems; and to better reconcile project and maintenance spending.

## OBJECTIVE

The University will use Maximo to provide asset management, work management, materials management and purchasing capabilities to help maximise productivity and extend the life of its revenue-generating assets. Maximo will allow the University to create a current and future strategy for maintenance, repair, operations and capital works.

## WHY CERTUS?

Certus demonstrated Maximo product expertise and the ability to reference New Zealand customers with experience and lessons learned in comparable upgrades and implementations.

## SOLUTION

Maximo Enterprise Suite version 6 for asset management, project planning, purchasing, preventative maintenance, defect maintenance, performance and project management.



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Maximo's 40 users include the University's facilities management, property services and finance staff, facilities administrators and project managers for capital projects. Around ten years of data had not been reviewed since it was entered in the system. There were concerns about the quality of this data; one of the project's drivers was to rationalise the University's asset register and bring it into the 21st Century.

"Maximo version 4 was pretty much unsupportable and antiquated," says contract project manager Diana Steed. It was time for a complete review of the way in which the University managed its assets. Steed is an independent, external project manager brought in by the University's finance director and with a background in PeopleSoft. Her aim was for asset management to become a true enterprise application with IT ownership of the data, rather than a standalone tool that benefited only property services.

**"The University has gone from having one database managed by one person on one server, to a development, testing and production system with proper disaster recovery, and a database managed by a database administrator. That means they have the IT experts managing their particular parts of the infrastructure, which minimises the risk."**

Diana Steed  
Contract Project Manager  
University of Auckland

## Project aims

The University had been using Maximo chiefly for property management with a focus on tracking and monitoring its maintenance activities, but over time it had also evolved into a job- and project-costing tool. Diverse financial functions were now required of it, in order to manage assets such as the University Business School's new property. The Owen G. Glenn Building, a seven-storey, 28,000-square-metre building, opened in 2008 and houses the entire state-of-the-art facility.

The overriding aim has been to focus on meeting the primary requirements of the core implementation, which included:

- Upgrading from Maximo version 4 to 6, incorporating the application's existing functionality.
- Integration of Maximo with PeopleSoft FMIS to allow it to be used in procurement.
- Modification of property services business processes to comply with existing practices.
- Customisation and historical data conversion processes to ensure a clean data platform.

## Users back Maximo

When the business case was first developed, says Steed, one of the options had been to roll out the asset management component of PeopleSoft to replace Maximo, but Steed's business case focused on Maximo's strengths, helped along by strong user advocacy based on experience with the installed version 4. These Maximo users were keen to maintain the system and upgrade the product, and the fact they found the application to be flexible and adaptable spoke strongly in favour of retaining it.

But the main users of Maximo at the University of Auckland are influencers rather than business decision-makers. They faced the hurdle of convincing the directors of property services, IT and finance that a Maximo upgrade was worth investing in, as opposed to a move to the PeopleSoft asset management module. However, at the time Steed's team was evaluating possible alternatives, she couldn't locate any Australasian reference sites for the PeopleSoft module.

"We then did an extensive evaluation of Gartner reports and saw that IBM was still investing heavily in Maximo," says Steed. "It didn't seem wise to go down the track of using an asset management product that might integrate easily with the University's ERP because it was part of the same suite but which was reasonably new to asset management and where we couldn't see any Australasian reference sites."

Steed took responsibility for championing Maximo in spite of her PeopleSoft expertise, and this resulted in the decision to proceed with the upgrade, which was approved in early 2007.

The University then undertook a competitive tender process to select a service provider. The key selection criteria, says Steed, were local support, product expertise and an ability to address the upgrade challenges specific to the University. A service provider with a long-standing history of work for the University was considered, as it also had some familiarity with Maximo. However, Certus won the tender in a competitive process. “Certus won because the University wanted a service provider

**“Certus has put it on a standard, supported IT platform and they’ve done considerable integration with the finance system on the procurement side, which gives finance what they need.”**

Diana Steed  
Contract Project Manager  
University of Auckland

that was close to home,” says Steed. In an environment where the application has been extensively customised, an upgrade is never going to be seamless, but Steed says Certus has proven that with experience and diligence it can be achieved.

A ‘tri-partisan’ project team was formed consisting of project manager Steed, the Certus team, and the University’s business, finance and IT representatives. A series of design workshops was then conducted to capture the future state of business processes and to refine the University’s upgrade requirements.

### **Qualitative success indicators**

The project team realised early on in the project that, in order to harness the true functionality and power of Maximo version 6, it would have to re-engineer the University’s asset location hierarchy

and asset structure. A lot of work has since gone into getting this right, and it has already proven worthwhile in data accuracy terms. There are now around 48,000 assets in the database whereas previously there had been 24,000. Almost doubling the number of assets in the registry allows performance improvements in financial reporting.

Core stakeholders in property services had a highly developed vision for the way the University’s assets should be managed, and with the new tools they can achieve this vision more elegantly.

One of the most successful side-effects of the project to date has been bringing together disparate business units and consolidating their business processes. Previously, there had been reporting difficulties, and an unexpected by-product of the upgrade is that the level of reporting has been reduced so that, rather than asset groups, the property management team is able to report against individual assets. This increased efficiency in asset tracking will over time lead to improvements in asset reliability, uptime and more accurate tracking of maintenance needs.

For Certus, the challenge has been rigidly controlling the project’s scope. It has worked with the business owners to understand their vision of asset management and prove that these are indeed better supported by a specialist enterprise asset management application like Maximo, rather than a subset of an FMIS. It has not been a fast and effortless project, but one characterised by complexity. But all of the University’s buildings and facilities, the assets in each of these properties – including mechanical assets such as generators, air-conditioning and air-handling units – and the maintenance regime applicable to each (in addition to whether this is handled by the internal maintenance team or contracted out) is now managed in Maximo.

University of Auckland’s Property Services, Commercial Manager, Peter Munro, says upgrading Maximo was long overdue. “Certus has brought us right up to date.”

### **Certus’ reference site expertise**

Asset management is no longer a ‘black box’ and the upgrade minimises the risk of data loss in the event of a critical failure. Says Steed: “The University has gone from having one database managed by one person on one server, to a development, testing and production system with proper disaster recovery, and a database managed by a database administrator. That means they have the IT experts managing their particular parts of the infrastructure, which minimises the risk.”



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In summing up the project, Munro says Certus' expert Maximo product knowledge and local presence enables Certus to bring to bear how other clients – especially those in New Zealand – are using Maximo; how they configure it and what they do with it. "When you're working in your own environment you don't always know how other people solve problems."

Certus' local presence also simplifies the University's training and support needs, says Munro. "Usually Maximo support is sourced from Australia. Having support close to home is important for the University," he says. "If we have questions, the University can ask Certus and talk to another of its New Zealand customers."

Cost savings are also projected, and Certus expects the University to experience improvements in reliability and lifecycle costs against assets. Assets should work for longer, more consistently, fail less often and be less expensive to repair, with an evolution towards planned rather than reactive maintenance.

### About the University of Auckland

The University of Auckland is New Zealand's pre-eminent research-led university. Established in 1883, it has grown into an international centre of learning and academic excellence and is New Zealand's largest university. Its mission is to be internationally recognised, known for the excellence of its teaching, research and service to its local, national and international communities. It aims to be a vibrant and intellectually challenging place of learning, nurturing a community of scholars who share a passion for discovery, the advance of knowledge and human progress. The University is centrally located in the city of Auckland, providing a stimulating environment for over 40,000 students.

### About Certus

Founded in 1999, Certus is Australasia's largest specialist IBM software services company, with around 100 highly skilled and certified IBM software professionals, supporting all five key IBM software brands: WebSphere, Information Management, Lotus, Tivoli and Rational. Certus' 400 customers include some of the largest IBM users in New Zealand and Australia such as Fonterra, Westpac, Air New Zealand, AMP, AON, Honda Australia, Tupperware Australia and Energy Australia.

### For further information

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