Business challenge

Port Otago's existing asset management system did not provide adequate information to support efficient maintenance planning, accurate budgeting, or effective inventory management for spare parts.

Transformation

Deploying a cloud-based asset management solution has helped Port Otago deliver a cohesive asset management strategy for efficient spare part inventory management and complete visibility over asset performance and maintenance needs.

Business benefits:

Saves time and costs by streamlining inventory purchasing and management

Improves reliability and cuts maintenance costs with asset performance reporting

Simplifies IT management with cloud-based software-as-a-service model

Port Otago Limited

Cloud-based asset management enhances maintenance and enables savings in spare parts management

Port Otago Limited operates a primary deep-water, export-based container terminal at Port Chalmers in New Zealand's far south. With outstanding facilities and a committed team, Port Otago has built a customer-base that includes some of the largest manufacturing and supply organizations in the region.

"MaxiCloud gives us the benefits of enterprise asset management, while minimizing the IT overheads."

Bob Smillie, Maintenance Manager, Port Otago Limited

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Gaps in data increase effort and add costs

Port Otago struggled with a basic asset management system whose lack of functionality and non-integration with other critical business systems created inefficiencies.

Bob Smillie, Maintenance Manager at Port Otago Limited, explains, "Our asset performance data was always incomplete, with information in various locations. This made it difficult to develop any meaningful evaluation in a consistent manner.

"It was also time-consuming to generate and update the reports we required, and interpreting inconclusive data was a complex and frustrating task. When predicting maintenance activities such as asset or component replacements, technical staff often had to rely on their instincts and experience to formulate lifecycle data decisions."

Port Otago also found it challenging to obtain detailed breakdowns of costs.

"With siloed business systems, it was often difficult to obtain adequate data on key metrics, which we needed for maintenance reports," says Bob Smillie. "The data we had only provided a high-level view, making our analysis sketchy at best."

Port Otago also lacked a reliable inventory management system: for example, spare parts were not catalogued when they were purchased, which gave the business no ability to track usage or guide forward purchasing decisions.

"It was common to place orders for a component from a European supplier only to discover, just a few days later, that we needed additional items or different quantities from the same company," comments Bob Smillie. "Random direct purchasing activities were widespread,

increasing costs and impacting our ability to reliably plan and coordinate work activities. This was especially a problem when our work required the operation to commit to planned maintenance downtime of critical business assets."

Cloud-based solution is a perfect match

Following an analysis of available enterprise asset management software and potential support partners, Port Otago worked closely with IBM Business Partner BPD Zenith to deploy New Zealand's first implementation of the BPD Zenith MaxiCloud solution. The solution is based on IBM® Maximo® Asset Management software, running in a cloud environment.

"BPD Zenith's expertise was vital to this deployment," says Bob Smillie. "In addition to finding a supplier, I wanted to achieve a reliable partnership model where we could work closely to drive significant change across the business through modern and aligned systems and processes. My aim was definitely a journey with a collaborative partner rather than an event with a one-time supplier.

"BPD Zenith's approach and the MaxiCloud solution allowed us to take advantage of all the benefits of a widely used enterprise asset management solution to deliver high asset availability, combined with reliable and predictable performance – and best practice-focused system development opportunities. Simply, it was a strategic approach to our future – without the need to hire additional support resources to manage it."

Moving from reactive to predictive

Maximo has enabled Port Otago to make significant progress towards its goal of a modern inventory base supported by streamlined usage reporting to reduce ad hoc purchasing.

"We're forecasting significant cost-savings and improvements to productivity here," says Bob Smillie. "Our maintenance crew can approach routine planned tasks with the confidence that the necessary spares are available, which is quite a change from our previous process."

The initiative has already started to reverse Port Otago's previous 'planned versus reactive maintenance' work mix – from an estimated 30 percent planned vs 70 percent reactive to 60 percent planned vs 40 percent reactive. This will result in substantial cost and organizational savings.

Safety compliance has also been improved by Maximo's work order system.

"Many of our assets have significant statutory maintenance requirements because they include critical lifting gear and operate within a complex mix of heavy mobile and fixed assets and people," says Bob Smillie.

"Our planned work order documentation now include references to known area hazard warnings, colored hazard warning pictograms, detailed safe operating procedures references and attachments, as well as PPE reminders – providing our staff with total work packages and added confidence in the outcomes across the business. In the unlikely event of a failure or incident, Maximo can also quickly provide us with detailed maintenance history report data to add to an investigation."

Encouraged by these early results, Port Otago plans to develop its Maximo abilities out on the port, giving its employees access to work orders, inventory, and the raising of service requests from portable mobile tablets.

Geoff Plunket, CEO, Port Otago Limited says, "Maximo gives us a range of organizational advantages, such as a greater ability to demonstrate statutory compliance, increasingly accurate visibility over critical asset behaviors, and a more predictable, efficient, and safer organization. The increased insights about the health of our business greatly improve our strategic decision-making abilities."

"BPD Zenith's expertise was vital to this deployment. MaxiCloud allowed us to take advantage of all the benefits of an enterprise-level asset management solution and put our business in a stronger, more competitive position for years to come – without the need to hire additional support resources to manage it all."

Bob Smillie, Maintenance Manager, Port Otago Limited

Take the next step

BPD Zenith is an award-winning global provider of enterprise asset management systems. As a Gold Accredited Partner for IBM Maximo Asset Management, BPD Zenith provides Maximo expertise to all asset-intensive industries including cloud, customization, implementation, licensing, SaaS and support. The company's approach has always been straightforward: it provides no-nonsense, expert advice, and its clients receive a system that matches their business requirements, on time and within budget. To learn more, please visit bpdzenith.com

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