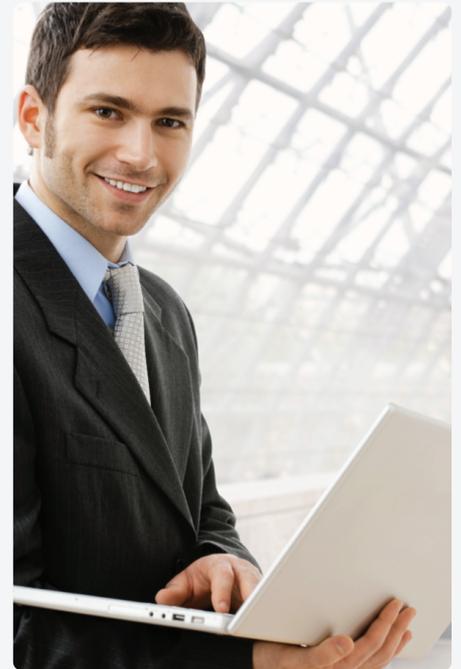


Case Study

Sodexo – 1st to Market with ISO55k

This Case Study presents details of how Sodexo realised its 2012 vision of becoming the world's first facilities service company to offer ISO55000 service levels on a global scale by 2015.



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Asset Wisdom Ltd February, 2015
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sodexo
QUALITY OF LIFE SERVICES

awe!
asset wisdom
empowerment

Vision = competitive advantage

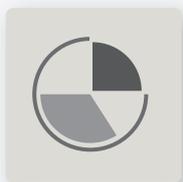
1. In November '14, the Institute of Asset Management (IAM) presented Keith Hamer of Sodexo with their annual Asset Management Achievement Award. It recognises their success in rolling out asset management (AM) across 80 countries, covering fm in healthcare, oil and gas, mining, manufacturing and airports.
2. As well as the Award, Sodexo is winning global contracts for fm services which include a strong asset management component.
3. In Keith's words, "The Award and new contracts for what we call 'The Sodexo Way' points to a major switch by public and private sector organisations towards 'whole life, whole systems' thinking.
4. "In my opinion, it's the development and launch in Feb '14 of the internationally recognised ISO55k set of Standards (ISO55000, 55001 & 55002) that is serving as the catalyst for this trend."
5. Keith was recruited in 2012 to spearhead the realisation of Sodexo's vision to be the first facilities service company to offer ISO55000 service levels on a global scale by 2015.
6. The challenge was consistent with the company's 'improving quality of life' philosophy and a chance to fulfil their clients demands for 'glocal standardisation': global consistency tailored to local conditions.
7. "The promise of 'standardisation' was the key," says Keith, It improves client productivity, quality and flexibility which gives them cost, supply certainty and responsiveness advantages."
8. "In giving more..." continues Keith, "...we aim to receive more. Global integration could increase profitability by 100 basis points, 1%."

Dominate or Die?

If there really is, as Sodexo believes, "...a significant switch by public and private sector organisations towards 'whole life/whole systems' thinking", it's incumbent on fm companies to offer integrated asset management solutions.

'Dominate': more work, higher margins & greater staff satisfaction.

'Die': dwindling work & margins and staff heading for the door.



Build it = capacity

1. At its heart, 'The Sodexo Way' is a compendium of the policies, procedures, technical documents, forms and templates that operating units use to enable clients to derive optimum value from their assets.
2. To find the best, the company created a Steering Group supported by a pool of subject matter experts from 10 countries, several of whom were working on the ISO55k standards.
3. The Group adopted PAS55 (a forerunner to ISO55001) as their core management model and populated it with a suite of materials drawn from the company's global best practices.
4. They also developed a platform for the sharing of materials and for enabling communications between all parties on a project.
5. The Manual sets out what's 'mandatory' and 'advisory', allowing for the creation of 'local AM Bibles' that meet the needs of different industrial sectors and individual client's cultural, locational, and contract specific requirements.

ISO 55001 Management System

Creating a System aligned to ISO55001 comprises of 3 phases:

Phase 1 – Design: gather and map current practices against ISO55k and envisage a system of practices that optimise performance.

Phase 2 – Build & Test: put together the master documentation and test and refine the approach against real life projects.

Phase 3 – Rollout: implementation and wide-scale training.

The diagram shows the main features of an AM System. It includes Deming's 'Plan, Do, Check, Act' continuous improvement cycle.



- **Context** (box 4): the 'drivers' (internal and external) that shape the AM System
- **Leadership** (box 5): top level commitment
- **Planning** (box 6): to turn 'vision' into actions
- **Support** (box 7): people, information and technology needed for implementation
- **Operation** (box 8): processes required to manage and deliver the activities
- **Evaluation** (box 9): evaluating the performance of assets and the AM system
- **Improvement** (box 10): processes for continuous improvements.



Embed it = competence & confidence

1. At the same time as setting out to develop the above AM System, Sodexo committed to creating a training programme for its 18,000 Technical Services staff.
2. “The first aim...”, in Keith’s words, “...was to win the hearts and minds of our staff. The second was to give them the competence and confidence to make best use of ‘The Sodexo Way’.
3. The key is that AM is much more than a set of standards: it needs to be, ‘how we do things round here’.
4. As such, it calls for a culture of learning.
5. “June Lancaster, Kevin Main, Claire Thacker and David Bell...”, says Keith, “...were drafted in as learning experts to develop educationally sound materials for our staff.”
6. John Woodhouse and Chris Bradley were additionally bought in to source the necessary subject matter expertise.
7. The brief:
 - To cover all IAM certificate level competences
 - To facilitate ‘standardisation’
 - To facilitate ‘tailored learning’ for key AM roles and support staff
 - To allow for ‘customisation’, e.g. to meet local cultural needs
 - To be cost and time efficient.
8. The team of six, who are now working together as Asset Wisdom, developed:
 - 18 e-learning modules
 - 5 face-to-face workshops.
9. “The e-learning...”, says Keith, “...”maximises cost-effectiveness, facilitates ‘anytime, anywhere’ learning and ensures consistency of knowledge across our global operations.
10. “The workshops stimulate discussion about how the global standards are best implemented locally.
11. “Taken together, they provide a reasonably comprehensive coverage of the IAM’s Competency Framework and the 39 subject areas that make up the Global Forum on Maintenance and Asset Management (GFMAM) ‘AM Landscape’.”
12. The learning can be done as a full suite or in parts, e.g. to align to the 7 key asset management roles listed in the IAM’s Competency Framework (www.theiam.org/cf).
13. “The learning...” says Keith, “...has now been translated into 7 languages and is being rolled out across many countries. It is injecting AM competence and confidence in thousands of staff on behalf of numerous clients.”



Measure it = prove it & improve it

The 'IAM's Competency Framework' and 'The AM Landscape', as referred to above, provide a checklist (or benchmarks) against which an organisation's AM maturity can be assessed.

The science of measuring AM success is still at a relatively early stage but it's clear to Sodexo that the programme has already exceeded their preliminary expectations. Benefits include:

- Improved control of day-to-day activities and business efficiencies: 10% average improvement.
- AM Risk Management processes relating to performance, criticality, contingency planning and mitigation against business interruption: estimated 40% reduction in risk related costs.
- Alignment of organisational objectives and the specifying of performance indicators against regulatory requirements: ability to demonstrate 100% compliance.
- Defining of data collection and asset performance criteria to achieve effective feedback on asset condition and improvement activities: reduced failure rates of 20%.

There is also evidence of greater staff motivation. This partly reflects the fact that standardisation facilitates greater mobility which, in turn, encourages the sharing of insights and innovations across the company's global operations.

Bottom line: the improved reputation, cultural unity and realised business opportunities is broadly estimated as €1.2b.

We'd like to hear from you!

If you would like to discuss any aspect of this Case Study, or join an event looking at how the fm industry can respond to the AM opportunity, or explore how Asset Wisdom can help you, please get in touch.

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