CDHB tracks half a billion dollars-worth of assets in IBM Maximo

- **Challenge**

  Canterbury District Health Board (CDHB)'s 2003 project to implement the strategic asset and service management system Maximo left a lot of loose ends, partly due to organisational restructuring 12 months into deployment. By the end of the project the system was in use exclusively for facilities maintenance at just one hospital. Multiple other campuses — including three hospitals, external clinics and other sites — weren't using the system. Maximo was neither connected to the technical services components of maintenance, such as mobile equipment, nor to patient-connected equipment. Legacy facilities management systems were not functioning well and required temporary workers to catch errors and deal with the backlog of paper-based processes.

- **Why UtilityAP?**

  CDHB was impressed with the work UtilityAP had done for New Zealand West Coast utilities company Westpower. CDHB wanted to retain ownership of its Maximo re-implementation project and work in partnership with its chosen provider. It was satisfied from its proposal that UtilityAP was able to provide that flexibility and deliver the project on time.

- **Solution**

  IBM Maximo for all facilities purchasing; plant preventative maintenance; defect maintenance; performance management of trade staff and contracts; and project management.

- **Key Benefits**

  More consistent business processes; ease of raising and tracking of defects and mapping their progress path; a technical upgrade to bring Maximo up to date; cleansed data and upgraded patches; capability to measure the performance of project managers and tradespeople; efficiency gains; time saved on information-gathering through reporting functionality; asset register accuracy; ability to benchmark against other organisations.

Canterbury District Health Board (CDHB) manages 89 properties, including not only its hospitals and clinics but also their grounds and gardens. Its total asset-base is valued at over half a billion dollars. "We need to make sure we're looking after our asset-base properly," says CDHB's facilities and engineering manager, Alan Bavis, "and with such a big investment, we need to understand our maintenance needs."
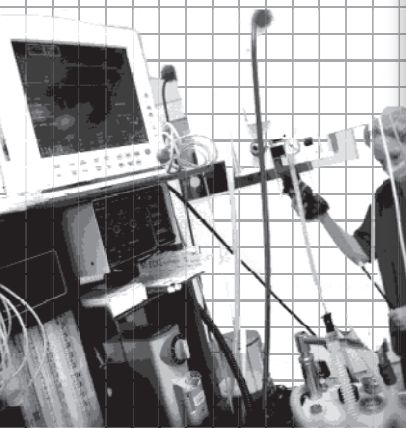
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A 2003 project to implement the strategic asset and service management system Maximo with a third party provider had ended with the system supporting only facilities maintenance at Christchurch Public Hospital. But CDHB has multiple other campuses including Christchurch Women's, The Princess Margaret and Hillmorton hospitals, as well as external clinics. And Maximo also wasn't connected to the technical services components of maintenance, such as mobile equipment and patient-connected equipment.

Multiple legacy systems for facilities management weren't functioning well and required temporary workers to manually catch errors and deal with the backlog. The fact that different systems were deployed at the various sites meant CDHB management was using a variety of tools to track maintenance requirements.

CDHB had already decided that Maximo was the smart way to improve its facilities management, having purchased it in 2003. Bavis was unequivocal about the need to deploy Maximo across CDHB's remaining facilities and was the new project's sponsor. "The information was difficult to get from our old systems and we couldn't run meaningful reports. There were a lot of breakdowns and different applications in use at different sites. It was time to replace these old, tired systems."

Although CDHB tendered for an implementation partner, the relationship with the selected provider did not prove conducive to such an extensive rollout. "It was a large company and we were never dealing with the same person two weeks in a row," says Bavis. "We were a fairly small fish in their pond." About 12 months into the implementation CDHB underwent an organisational restructure, which slowed down the rollout considerably. Maximo, says Bavis, simply "fell through the cracks".

By the time implementation had been completed, just one site was using Maximo — Christchurch Hospital, in only its maintenance and engineering department. "Even then it was only exploiting about 50 percent of Maximo's functionality," says Bavis. "We're now light years away from where we were then. From just one department at one hospital we now have all the maintenance departments at all of the hospitals using it, and also our technical services people, who look after the patient-connected equipment."

Competing for dollars

Like all district health boards CDHB is expected to achieve a lot with limited public funds, and it is critically important for it to choose the most beneficial from an endless succession of worthy projects. "We're not in a production environment where it's bottles of beer or chocolate biscuits coming off the conveyor belt," says Bavis. "We're dealing with people's lives, so we have to make sure the systems we run are well maintained. Maximo helps us to do that."
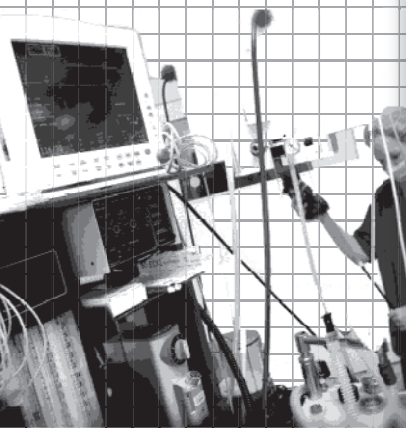
CDHB considered a number of alternative implementation partners and followed a process based not only on comparative costs. "We looked at non-financial attributes, as well, and did some inhouse evaluation," says Bavis. Through a series of meetings, CDHB decided UtilityAP had a good understanding of its business and its aims. "We invited UtilityAP to have a look at our systems having been impressed with what they'd done over on the West Coast for the lines company Westpower."

But CDHB wasn't simply looking for a provider that would deliver a 'solution'. "We wanted a partnership, and for them to work through every step but make sure we retained ownership of it. That's the thing that swayed us to go with UtilityAP — we liked the way their proposal told us they would work with us on that."

At the beginning of 2007 financial approval was granted and contracts exchanged. The re-implementation began in late January 2007. Vanessa Richardson, Bavis's office manager, had borne the brunt of the discontinuities between the legacy systems because it was her team that had to deal with the work and purchase order paperwork. Richardson worked alongside UtilityAP, took internal ownership and worked as inhouse project manager to make sure it was delivered within the required schedule.

Bavis says UtilityAP's collegial approach contributed to the project's success, as it was prepared to work with CDHB in the desired partnership mode. "They really did come onboard with us. We didn't want to say that we had a problem only for them to go away and not come back until they'd solved it. We wanted to be part of the solution."

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CDHB benefited from the support of a UtilityAP staff member onsite full-time, working closely with the various stakeholders. "That made quite a difference, in that the implementation by the previous company hadn't been a very successful relationship onsite, whereas the relationship with UtilityAP's onsite person was very good. The level of service supplied locally was much more of a partnership."

UtilityAP also trained CDHB's users, some of whom (such as a number of its tradespeople) had never used computers before. With a full-time trainer onsite for almost four months, UtilityAP was able to train a number of CDHB power-users in depth, who then went on to train the remaining users. "UtilityAP wasn't always looking to see what was in the contract in terms of the number of hours," says Bavis. "If we needed something, they always came to the party."

Success milestones

UtilityAP accepted the challenging goal of deploying Maximo across all of CDHB's facilities and even completed the project slightly ahead of schedule. Twelve months on, CDHB has Maximo running in each of its major metropolitan hospitals, as well as its external clinics and other sites. It is using the system to manage all facilities purchasing, plant preventative maintenance and defects. "The purchasing budget for maintenance, engineering and technical services departments is $16.5 million, and all of that goes through Maximo," says Bavis.

Paperwork has been drastically reduced. Today, job tracking is automated and CDHB's assets are accruing a maintenance history. "When our tradespeople book on and off a job we know how long it's taken, what's been done, how many parts have been used. We're getting a lot smarter and there have been efficiency gains as a result. We're also tracking contracts via Maximo and have a good handle now on what's been spent and in what areas."

The organisation is no longer wasting time on information-gathering, thanks to Maximo's reporting functionality. "We're actually measuring the performance of our project managers and our tradesmen, and setting targets for the jobs they're doing."

CDHB is now able to benchmark itself against other New Zealand and Australian district health boards, as well as universities and the private sector. "Maximo is a reliable benchmarking tool," says Bavis. "And when it comes to budget time we can justify our bids for maintenance money, which is always hard-won because whatever is spent on maintenance can't be spent in patient-related areas."

With Maximo deployed to all CDHB campuses, Bavis is ready to provide references to other organisations that are looking for a Maximo implementation partner. "We're happy for people to come and talk to us if they're looking to use UtilityAP and we can show them what a good job they did here."

About Canterbury District Health Board

Canterbury District Health Board (CDHB) is a Christchurch-based hospital and healthcare provider for the Canterbury region of New Zealand. Its vision is to promote, enhance and facilitate the health and well-being of the people of the Canterbury district.

About UtilityAP

UtilityAP is an IT services consulting company specialising in integrating technologies and processes for asset-intensive companies seeking to better manage their infrastructure. Based in Auckland, New Zealand, UtilityAP has a 20-year track record for combining in-depth experience of the deregulated utilities sector with extensive software product knowledge to deliver improved business outcomes to its clients.

Key software component

- IBM Maximo for asset management implemented by UtilityAP

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