

# Tools to Support Your Mission

By Jeffrey Polyak, CPPS

When it comes time to select asset management tools, make sure you are getting software functionality that was designed to support your mission. Often the asset management office is told that a well known Enterprise Resource Planning (ERP) tool that was designed to primarily meet the needs of accounting, human resources, supply chain and maintenance will be able to fully meet their asset management needs.

While this approach may work for some organizations, it causes great risk to the effectiveness of the asset management programs of others. Evaluate your requirements and the proposed software functionality carefully and know that if you do not believe an ERP software tool can meet your needs there are other options. Best of breed commercial off the shelf (COTS) asset management solutions can provide the depth of functionality required for physical and financial asset accountability.

There are three main areas of functionality where most ERP systems provide asset management functionality. The first area is financial accounting. ERP product suites include a fixed assets module designed to generate the appropriate accounting entries for the capitalization, depreciation and value adjustments related to assets. The second area is service management. This functionality is associated with keeping assets in good working order by ensuring proper maintenance is scheduled, tracked and recorded. The third area is inventory management. This functionality is associated with keeping track of the on hand balances of assets used to support the organization and fill customer orders.

Software solutions built to specifically meet the needs of asset management focus functionality in at least 20 areas. In addition to the three areas described above, best of breed asset management solutions include the following additional 17 areas of functionality:

1. **Government Contract Property Accountability:** This functionality focuses on the many requirements for appropriately managing property in the possession of contractors (PIPC).
2. **Physical Accountability:** This functionality addresses who has an asset, where it is located, when the last time the organization validated its existence and managed the transfer of assets between organizations, contracts and individuals. This functionality also includes the ability to look at the status of an asset at a historical point in time, not just its current information.
3. **Physical Inventory:** This functionality includes the ability to validate the information in the system of record. Physical inventory campaigns may be conducted based on contract, location, and type of asset and/or users.
4. **Contract Management:** For assets that are related to government (or other types) contracts, asset managers need information about the inception, modification, contacts and close out of contracts.
5. **UID Integration:** The Department of Defense has put in place a set of rules that requires assets that meet certain criteria be reported to the IUID registry.
6. **Government Reporting:** Assets that are provided to government contractors to assist with the completion of their mission must be reported back to the government periodically. Some of these standard push button reports in asset management systems include the DD 1662, DD 1149, DD 250 and NF 1018.
7. **Location Management:** Effective management of assets includes the ability to create hierarchies of locations and manage the movements of assets from one place to another. Assets that also require long term storage in off site locations will be provided to vendors for evaluation and repair, provided to employees for off site use and often sub contractors as well. Each of these uses requires asset management system functionality to

appropriately record, track and maintain assets properly.

- 8. Configuration Management:** Asset managers are expected to know the configuration of assets in the field and the various kits that can be used to replace portions of them.
- 9. Field Management:** Most asset management takes place in the field, not in the office of an asset manager. Asset managers need tools that allow them to leverage the stability and organization of their asset management system on mobile tools in the field. These tools allow for the identification, management and disposition of assets
- 10. User and Organizational Stewardship:** There are a variety of organizations and people that interact with assets regularly. Asset management systems have the capability to record all of these relationships at the same time and provide the maximum amount of information to curb asset loss and increase accountability.
- 11. Depot Operations:** Asset managers have the responsibility of providing sustainability programs for their assets. These programs depend on asset management systems providing the capability to manage the lifecycle of spare parts, return material authorizations and the evaluation of assets.
- 12. Testing and Repair:** Effective asset management programs require systems to have the ability to record actions associated to the testing and repair of assets in the field and in storage.
- 13. Utilization Management:** One of the largest areas that organizations can reduce costs associated to asset management comes from better utilization of the assets already in their possession. Effective asset management systems track the use and availability of assets to increase the return on investment from an organizations asset infrastructure.
- 14. Software License Compliance:** Software provides unique challenges for asset managers. A single piece of media can be installed across thousands of assets. These challenges require digital asset management capabilities that include the ability to investigate and record the configuration of an asset and the software that is installed on it.
- 15. Asset Security:** Based on attributes of assets and their use in programs, individual or groups of assets

require specific security protocols. Asset management systems are able to identify a protocol and associate it to the appropriate assets and record compliance with that protocol.

- 16. Audit Compliance:** Asset management audits span across functions of financial management, physical accountability, internal controls and contract provisions. Asset management systems provide both the current and historical information required to pass the many audits focused on managing assets.
- 17. Disposition Management:** Assets are required to follow specific disposition instructions. The disposition process is often complex and dictated by other organizations. Asset management systems are able to manage the disposition process including the ability to record adherence to the many regulatory and contractual requirements placed on assets.

In addition to a focus on the additional functional areas necessary for asset managers to pass audits, best of breed asset management systems also leverage several automated identification technologies. These technologies significantly lower the cost to manage assets and increase asset accountability. These technologies include integrated mobile software and handheld computers, RFID tags, infrared tags, network auto discovery tools and digital asset investigation.

In many cases ERP systems do not provide enough system functionality to effectively manage the assets of an organization. When it comes time to select your asset management software tools, make sure your system has enough functionality to support the areas above that may apply to your mission. ■

#### BIOGRAPHY

**Jeffrey Polyak, CPPS** is the Vice President of Solutions for Sunflower Systems™, a leading provider of asset management solutions and software. Mr. Polyak manages all aspects of the implementation, sales and marketing of Sunflower Systems asset management solutions. Mr. Polyak is a member of the NPMA Federal Center Chapter and is co-chairman of the NPMA State and Local Special Interest Group (SIG). Prior to joining Sunflower, Mr. Polyak served in management roles at Oracle Corporation and BearingPoint where he led teams focused on systems implementation, software integration, lifecycle asset management solutions and Federal ERP system deployments. Before working in the information technology arena, Mr. Polyak was an Associate at Columbus Public Affairs providing political strategy and advocacy in the healthcare, banking and high-tech arenas. Mr. Polyak holds a bachelor's degree in political science from American University.