

How do
you quantify
success
in your
business?



Operate at your Optimum



Pragma identifies three
underpinning factors
when considering your
Return on Assets.

PRAGMA

There are numerous measures.

But we believe that in physical asset management it boils down to one.

Return on physical assets over their lifetime.

Why? It's simple. Your physical asset, whether it is a facility, a production line, a fleet of vehicles or a utility, must deliver the service or the goods it is designed for at the optimum cost with maximum output.

Pragma identifies three underpinning factors when considering your Return on Assets:

ASSET PERFORMANCE. If managed correctly and used within its design parameters, an asset will operate optimally and serve its purpose within its intended life span. To ensure this optimal performance you need a sound Asset Management Methodology, an Asset Management Enterprise System and experienced and knowledgeable people.

COST CONTROL. You need to make calculated investments and cut waste down to a minimum. Consider the cost of an inefficient production line; unplanned breakdowns on assets that you can't account for because you have lost track of them; underutilised personnel; excessive contractor cost or of disposing of obsolete stock due to the lack of a stock control system. An asset management plan is essential in your cost control.

CONTAINED RISK. This includes all asset-related risks to your business. These include the risk of technological redundancy, staff safety and environmental damage, being unable to respond immediately to failures and emergencies, and of violating statutory requirements and regulations.

Return on Your Assets

Where do you turn to when you want to ensure that you get valuable return on your physical assets?

Since 1990, Pragma has globally partnered with more than 480 clients with small to large asset installations, to assist them with physical asset management.

Pragma started off with a few engineers doing pure maintenance consultation. They soon realised that pure asset maintenance does not ensure a client's return on assets. A fully fledged asset management program was initiated, based on an asset management methodology supported by business processes, best practices and standards. At the same time, Pragma's On Key CMMS was developed into a fully fledged Enterprise Asset Management System, competing globally with similar systems. Realising that asset management could only be delivered by engineers with sound knowledge in asset management, a training institute, the Pragma Academy was founded.

For the past 10 years, Pragma has focused on developing a Physical Asset Management outsourced solution and today we pride ourselves on an organisational concept outsourcing model that services assets worldwide.

Today Pragma delivers physical asset management as a service through Asset Care Centres.

A fully fledged asset management programme



“Daily interaction with clients ensures that their asset care activities are being executed according to plan.”

What is the Asset Care Centre?

Our outsourced partnership is delivered via an Asset Care Centre or ACC established at the client or at our own offices, in support of delivering asset management services to the client.


What specific benefits can you expect?

- The efficient and effective enablement of asset management business processes
- Up-to-date, accurate and useful information about all aspects of your assets
- Engaged, knowledgeable, and accredited physical asset management specialists

What deliverables can you expect from the ACC?

- Maintenance cost reduction
- Standardisation / analysis across the business
- Continuous data evaluation used for focused optimisation
- An accurate and up-to-date asset register
- Optimum use of maintenance tactics
- Optimum use of resources (in-house & contractors)
- Measurement and management of all work against the Asset Management Improvement Plan & Service Level Agreement
- Optimisation of stockholding
- Optimisation of Asset replacement budget / spend

Physical asset management as a service



“Our practical solutions allow our clients to reduce their risk exposure and ultimately reduce their operational costs.”



What are the components of the ACC that ensure these benefits and deliverables?

Business Processes and Best Practices

A world class methodology that is PAS 55 aligned and meets international and local accounting reporting standards (e.g. IFRS, GAAP and GRAP).

Our methodology is based on a set of business processes with supporting best practices and standards. To give you an indication of what a business process is, we include two examples:

- » A Business Process to assist the client with a systematic identification and analysis of asset-related risks. Counter measures are developed for the major risks and built into the asset management strategies, plans and other elements of the asset management system.

- » A Business Process with the objective of driving both day-to-day problem solving, as well as more structured improvement projects, based on root cause analysis, the use of existing data and the experience of people at the coalface.

Specialised Technology and Tools

The most prominent technology used in the ACC is On Key, an Enterprise Asset Management System. On Key is an integrated solution used in support of the business processes.

The competitive advantage you will receive when using On Key is:

- Access to a dualistic tool capable of managing your operation while directing strategic decisions at targeted focus areas in order to get optimum returns from your asset base.
- Seamless Interfacing with the major ERP packages. Alternatively, we make use of batch interfacing allowing for automated transactional activity.
- Internet browser-based access to all up-to-date asset management data via On Key Extensions. This includes functionalities such as the transmission of warning SMSes or e-mails if service level agreement targets for job completion, for example, are not met. On Key extensions have many other very valuable functions that make data velocity something very real and practical.
- Access to On Key Express, a browser-based facility in which the client can capture work order info without the need for the On Key application itself.

Pragma makes use of specialised equipment such as intrinsically safe PDAs, scanners and modems that fast-track the uploading of data and minimise the risk of human error in capturing data.

The most prominent
technology is On Key

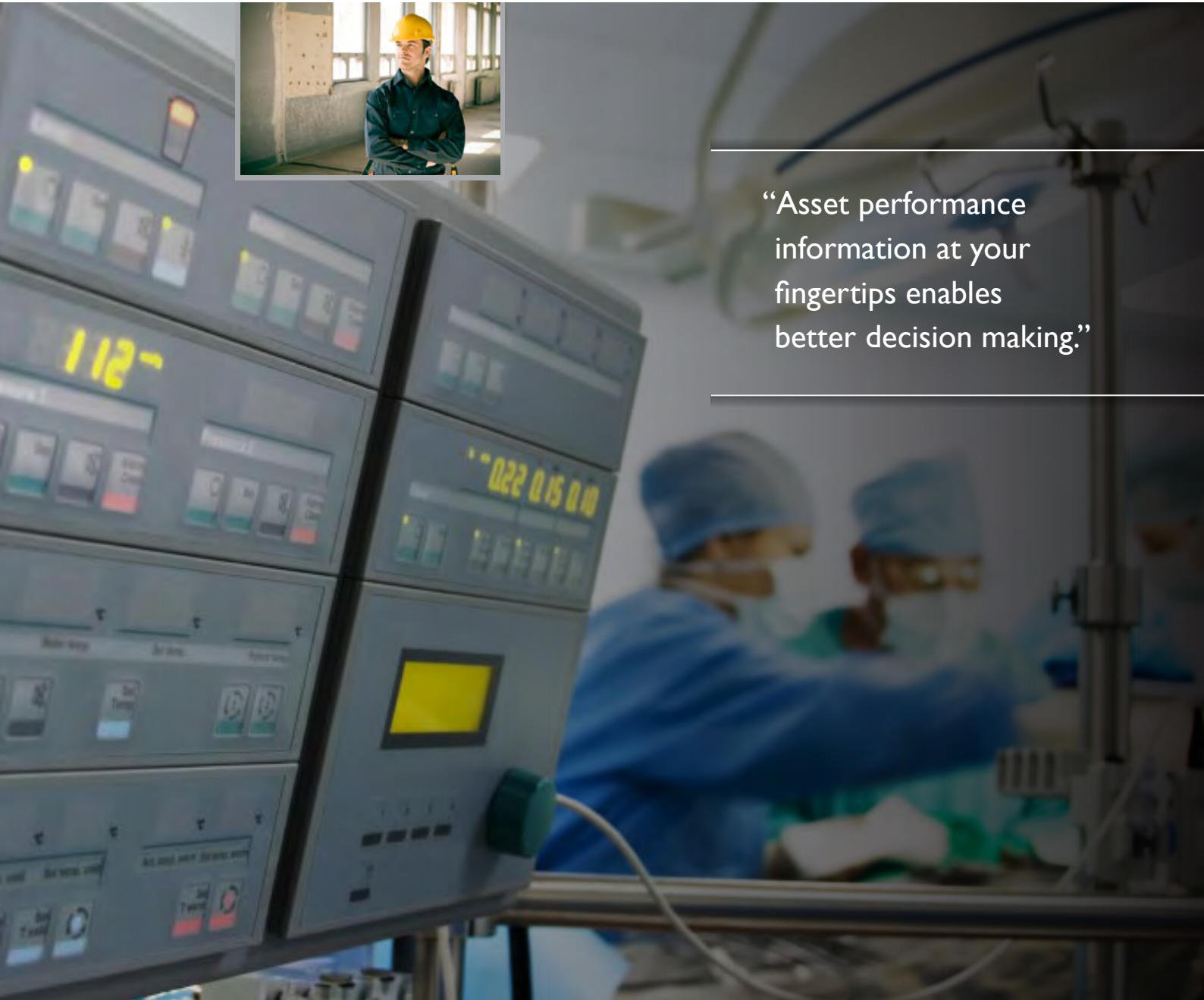
A capable and knowledgeable team

The ACC manager and his team of qualified engineers and support staff play a crucial role in the success of the optimisation of asset performance. They are responsible for making the service work within the client environment. This offer involves customising the methodology and business processes and the management of the change process.

Pragma has an engaged team of engineers who are passionate about their work and the improvements on their client sites.



“Asset performance information at your fingertips enables better decision making.”



Is there a customised solution that suits my needs?

We understand that every client has a unique operation with very specific asset-intensive requirements. Therefore we have developed three distinct ACC delivery models to assist in growing your asset maturity and helping you achieve a return on your physical assets.

ACC@Pragma	ACC@Client	ACC Client operated
Shared resources & infrastructure Communication via e-mail, telephone, face to face	Dedicated resources Integrated into client's structures & processes On Key in support of client's ERP / EAMS	Maturity assessment & strategic direction Client executes business processes 2 days per month intervention by Pragma

“Our AMIP methodology assists clients with the development of long-term continuous improvement programs.”



How does the integration between your own team and the ACC team work?

Change management is always a sensitive issue when a function is outsourced. We have invested a lot of time to develop the integration of the ACC service into the client environment.

Implementation Phase

An asset management committee with members from the client and the ACC is established	Asset Management Maturity Assessment is done using the AMIP business process	Strategic plan and standards manual is compiled and the ACC infrastructure is established	On Key EAMS with Asset Register & Asset Care Plans are implemented
2 weeks	1 month	1 month	2-4 months

Execution Phase

Facilitate daily, weekly and / or monthly Work Planning and Control	Asset Care Engineer analyses information and prepares reports for meetings	Continuous improvement actions and projects
Ongoing		

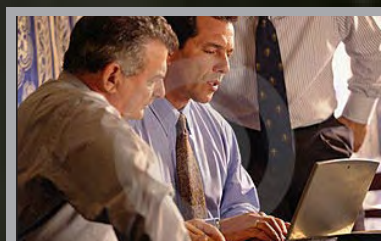
Client Engagement Model

Level One
Client senior management responsible for PAM strategy.
Level Two
Pragma ACC responsible for coordinating PAM activities and processing data.
Level Three
Execution of Asset Care activities by the client or contractor staff.

*The timeframe given in the illustration is for a basic ACC setup.

Every client has
a unique operation

“Managing Assets
The Pragma Way
is a step change and
not a quick fix.”



Test your asset management maturity with this quick audit.

If you are unsure of your own asset maturity, you can fill out this quick checklist to establish your potential growth areas.

Do you know...

	Y	N
... your asset strategy and do you understand the improvement plan?	<input type="checkbox"/>	<input type="checkbox"/>
... what assets you have and where they are?	<input type="checkbox"/>	<input type="checkbox"/>
... the condition and the latest value of your assets?	<input type="checkbox"/>	<input type="checkbox"/>
... what work must be performed on the assets?	<input type="checkbox"/>	<input type="checkbox"/>
... what human resources are required to perform this work?	<input type="checkbox"/>	<input type="checkbox"/>
... what special resources and spares are required to perform work on assets?	<input type="checkbox"/>	<input type="checkbox"/>
... that you are getting optimum performance from your assets?	<input type="checkbox"/>	<input type="checkbox"/>
... how to plan for and acquire new assets and dispose of old assets?	<input type="checkbox"/>	<input type="checkbox"/>
Total	_____	

If you scored lower than 4, you should urgently invest in growing your asset maturity.

If you fared better but struggle to sustain it, you also have cause for concern. If you scored yourself an 8, we are happy to welcome you into the league of mature asset owners who operate at optimum.

If you are in need of advice you are welcome to contact us for an appointment. Visit our website at www.pragmaworld.net to contact your closest regional office.

Invest in growing your asset maturity



The testimonies of our clients' satisfaction speak of the success of our solutions:

"Since PRAGMA arrived on the scene our customer satisfaction levels have increased from 69% to 87%. I highly recommend PRAGMA."

Willie Marais, Manufacturing Executive, Albany Bakeries

"Pragma supply us with a wonderful tool (ACC Service) which adds a lot of value to our business bottom line when supported by the right people and processes from our side."

Willem Coetzee, Managing Director, Kromco

"The introduction of Pragma On Key gave us control over cost, parts & people. This resulted in improved efficiency and reliability which consistently drives down cpc."

Johan van Sittert – Engineering Manager, Aujan Industries

"We always thought that our biggest killer was availability due to maintenance problems on the lines, but after running the OEE system for a few months it became clear to us that small production stops and slow running was actually our main area to focus on."

Altus Theron – Packaging Manager, KWW

"We made use of profiles in On Key to ease the task of sorting our stock values per commodity, supplier, type, etc. By February 2009, our stock levels were only MR22.667 on one Plant (a reduction of MR15.561 or 40% over 3 months!)"

Kobus van Eeden, Maintenance Planning Manager, Minopex Group

"With the progress of our asset project with PRAGMA, the integrity of our asset information improved dramatically. I highly recommend PRAGMA."

Sandra Terblanche, ESM Financial Manager, Engen

"Asset performance is of the highest priority. On occasions our consultants have been under considerable pressure to deliver extra reports when requested the same day, when information is needed for capexing of new equipment and the guys have always delivered. We at PiShurlok believe in the Pragma concept and our customers have always been impressed. It is a relationship that goes from strength to strength."

Ian Burrows, Maintenance Engineer, PiShurlok

"The team effort provided by both the ESS and Pragma staff has made this operation a vastly improved, more effective division ensuring service delivery to all our clients. This would not have been possible without the Pragma ACC intervention."

Floris Mostert, Head: Electrical Support Services, City of Cape Town Municipality

“We at PiShurlok believe in the Pragma concept...”

