

Property and Asset Management

THE GOOD, THE BAD, AND THE UGLY!

Presented by:

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A motivational talk

- **Seriously, this is a motivational talk!**
- **But, I gotta' cover :**
 - Some UGLY Stuff
 - Some BAD Stuff
 - And some GOOD Stuff
 - All in relation to our world, our environment...

• **PROPERTY AND ASSET
MANAGEMENT**



DO WE SERVE AS A CRITICAL COMPONENT IN & OF OUR WORLD?

- **A PROVERB**

For want of a nail, the shoe was lost,
For want of a shoe, the horse was lost,
For want of a horse, the rider was lost,
For want of a rider, the message was lost,
For want of a message, the battle was lost,
For want of a battle, the war was lost,
For want of a war, the kingdom was lost,
For want of a nail, the world was lost



- "The Want of a Nail"
T. Rundgren

So, Can we Relate???



Is



That



Us?



IS THAT US?

Yup!

**We are involved with virtually every
aspect of property and asset
Management!!!
From the SMallest nail to the largest
facilities on earth!**



so, let's talk about it – the Good, the Bad and the Ugly!

THE UGLY?

- **MEDIA and MILITARY WEAPONS in the hands of POLICE**
 - **Authorized by Law, Placed by Our Members through donations (Department of Defense Excess Property Program (DoD 1033))**



Picture Source: <http://www.army.mil/article/5968/army-fields-mrap-in-iraq/>



THE UGLY?

- **COURT CASES** revolving around Federal Government Contracting and a lot of them regarding.... **PROPERTY**
 - \$4.9 Billion in Fiscal Year 2012
 - **QUI TAM Suits**
 - \$3.3 Billion in Fiscal Year 2012
 - Source: National Defense, Sept 2014



THE UGLY?

- **Budgetary Pressures and Cuts**
 - Every Government Agency is facing greater financial pressure!
 - Corporations, though recovering from the Recession, are still seeing reductions to their workforce.
- **Property and Asset Management Folks are not immune!!!**



THE BAD (Maybe)

- **“THEY” are looking at “US!!!”**
 - **Sarbanes Oxley Act of 2002 (SOX)**
 - Assets as part of Financial Disclosure Statement
 - **Government Perspective**
 - **Chief Financial Officer Act of 1990, Public Law 101–576**
 - Increased emphasis regarding Financial performance and Disclosure.
 - Bit of Trivia. Author of the Bill, Joseph DioGuardi, from the House of Representatives. The First CERTIFIED PUBLIC ACCOUNTANT ELECTED TO THE HOUSE!!! A New Yorker! ☺



THE BAD (Maybe)

- **“THEY” are looking at “US!!!”**
 - **Financial Improvement and Audit Readiness (FIAR)**
 - **First Plan – 2005**
 - **Subsequent Plans:**
 - Increase emphasis on accountability of assets.
 - Mission critical asset information



http://dams.defenseimagery.mil/defenseink/assetcolcreate.action?name=previewcol&id=5fb90e063a10dcbe9931cd884c204dab2f3b31a4&scope=request&nextpage=/vims_dlink_preview.jsp

THE BAD (Maybe)

- **“THEY” are looking at “US!!!”**
 - PUBLIC LAW 111–84, dated OCT. 28, 2009 and entitled the NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2010 imposed a requirement regarding the Financial Management of the Department of Defense.
 - In TITLE X of the law, GENERAL PROVISIONS, Subtitle A— Financial Matters, Sec. 1003, entitled “Audit readiness of financial statements of the Department of Defense” set forth a number of requirements on DoD of:
 - “improving the accuracy and reliability of management information on the Department’s mission-critical assets (military and general equipment, real property, inventory, and operating materials and supplies) and validating its accuracy through existence and completeness audits;”
 - And this action has to be validated as “ready for audit by not later than September 30, 2017.”



THE GOOD

- **“THEY” are looking at “US!!!”**
 - With all of the aforementioned audits and reviews and laws... someone, really lots of folks, are **PAYING ATTENTION TO PROPERTY AND ASSET MANAGEMENT!!!**



THE GOOD

- “THEY” are looking at “US!!!”
- **OUR INTIMATE INVOLVEMENT WITH**
 - ASTM International
 - **MORE THAN TWO DOZEN ASSET RELATED STANDARDS**
 - **CREATED BY YOU FOLKS!!!**
 - **NPMA MEMBERS (And others)**



THE GOOD

- “THEY” are looking at “US!!!”
- **OUR INTIMATE INVOLVEMENT**
 - THE ISO 55000 SERIES
 - Though we have no data as to the number of NPMA Member corporations or even Government activities that have implemented the standard – the groundswell of interest is amazing!!!
 - **And WE were THERE!!!**
 - » LINKEDIN, https://www.linkedin.com/groups/Institute-Asset-Management-965657?mostPopular=&gid=965657&trk=eml-b2_anet_digest-group_discussions-27-discussions_footer&midToken=AQEHBIFXn7b2sQ&fromEmail=fromEmail&ut=3vjDsCiZRKPSo1



THE GOOD

- “THEY” are looking at “US!!!”
- OUR INTIMATE INVOLVEMENT
 - GSA’s increased emphasis on Excess Real Property and Buildings
 - With Hundreds of Millions of Dollars being returned to the Government – YOU!!! As Taxpayers.

» Federal Times, Acquisition Report, 9.15.14



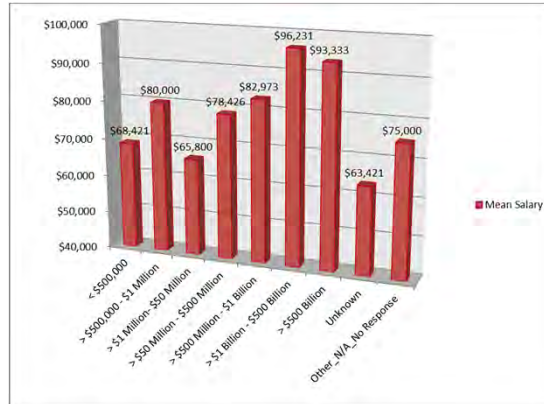
THE GOOD

- “THEY” are looking at “US!!!”
- OUR INTIMATE INVOLVEMENT
 - SALARIES



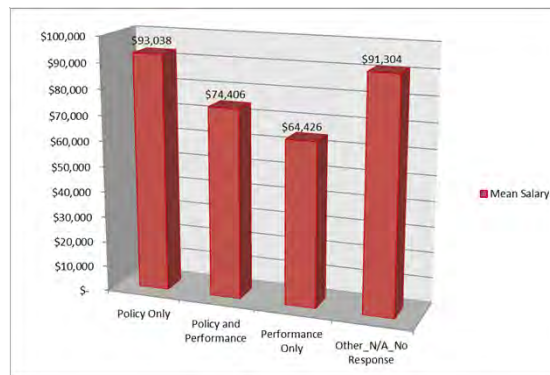
THE GOOD

- “THEY” are looking at “US!!!”
 - OUR INTIMATE INVOLVEMENT
- SALARIES



THE GOOD

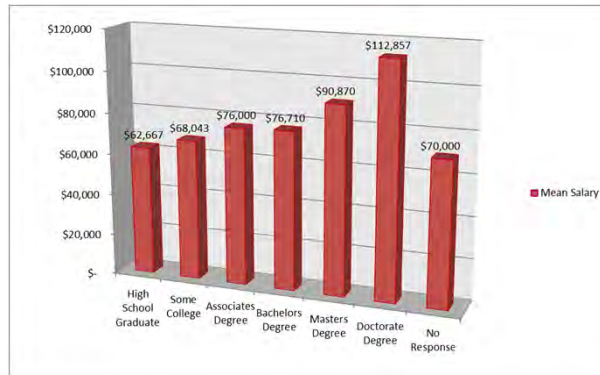
- “THEY” are looking at “US!!!”
 - OUR INTIMATE INVOLVEMENT
- SALARIES



THE GOOD

- “THEY” are looking at “US!!!”
- OUR INTIMATE INVOLVEMENT

– SALARIES



THE GOOD

- “THEY” are looking at “US!!!”
- OUR INTIMATE INVOLVEMENT
 - MY SALARY IS PRETTY IMPORTANT TO ME!
 - I ASSUME IT IS TO YOU!
 - YOUR salary, not my salary!
 - AND OUR SALARIES HAVE INCREASED OVER THE YEARS!!!



THE UGLY, THE BAD and THE GOOD

- All of these societal/sociological issues, and business issues effect us. They impact our lives, our work and our status as a profession.
- So let me talk with you about some intellectual issues



So, at every NPMA NES and many of the Seminars we have had Various Keynote Speakers

Some with brilliant ideas to share,
e.g., Numerous Astronauts, Filmmakers, Business and Government
leaders

Some with heartwarming stories.

Michael Hingson who escaped from the World Trade Center, guided by
his seeing eye dog

Some with AMAZING Experiences!

e.g., Ambassador Sichan Siv, and his escape from Cambodia



**So, as a keynote speaker I would like
to share some intellectual ideas!**



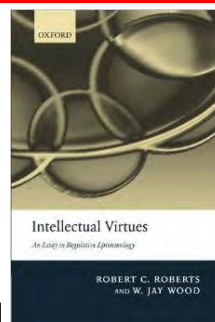
Contemporary Literature

- I like to read!
- And, at past seminars I have discussed a wide variety of books.
 - Technical Literature related to Property/Asset Management (Too many books to list here.)
 - And I just found a new one – Inventory Best Practices - Bragg
 - Spiritual literature in terms of our individual and association's growth
 - "The Purpose Driven Life" - Warren
 - International Literature in terms of our world
 - "That Used to be US" – Friedman and Mandelbaum
 - Plus others...



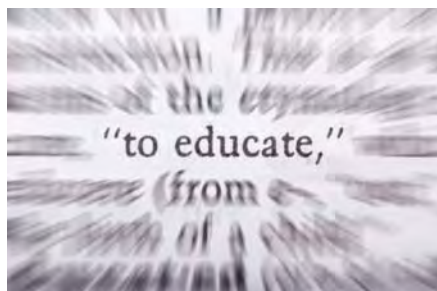
Contemporary Literature

- Well, I've got another one for you!!!
- Intellectual Virtues
 - Roberts and Wood, Wiley and Sons
 - ISBN-13: 978-0199575701
- Their premise – in this world of the information age, is it possible to develop, is it possible to display and cultivate “Character?” What they refer to as “Intellectual Virtue.”



INTELLECTUAL VIRTUES

- Roberts and Wood characterize intellectual virtues into SEVEN groupings:
 - Knowledge (Or really the LOVE of knowledge)
 - Firmness
 - Courage
 - Humility
 - Autonomy
 - Generosity and
 - Practical Wisdom



INTELLECTUAL VIRTUES

- Knowledge (Or really the LOVE of knowledge)
 - They quote Aristotle, “All men by nature desire to know.”
 - Do you have a love of learning?
 - As a simple statement of fact for us... *In property and asset management we can never stop learning.* Every day should learn something NEW that we did not know before. Whether it hits us between the eyes while not looking or we go out and search for it!



INTELLECTUAL VIRTUES

- Firmness
 - “*We cannot and must not be open to change our deeper views at the first appearance of contrary evidence.*”
 - I have a tendency to be slightly argumentative. DUH! If you know me well, I have probably debated you in regard to technical matters relating to contract property management.
 - I am quite FIRM in my beliefs.
 - BUT, that does not mean I am RIGID in my beliefs.



INTELLECTUAL VIRTUES

- **Firmness**

- The issue is...

- We need to know what we believe – supported by evidence and learning and HOLD to those beliefs, BUT...
- We also need the ability to change our way of thinking when presented with logical, intelligent, analysis that our knowledge of “X” is incorrect or lacking or needs further development.



- They also discussed Flaccidity and Rigidity under this construct but, those words bothered me.

INTELLECTUAL VIRTUES

- **Courage**

- Are you willing to take an unpopular position.

- MY best example:

- Government Title to Property charged to Overhead
- In the FAR rewrite lawyers fought me tooth and nail.
 - Both Government and Industry
- It led to an article in the NCMA Journal regarding the issue.
 - <http://www.ncmahq.org/Newspublications/JCMIssueDetail.cfm?ItemNumber=4230>
- Both sides – Government and Industry had their reasons for wanting to “Have their cake and eat it too.” But it wasn’t the honest and true solution.



- Note, soon after that incident I was fired.... JUST KIDDING!!!

INTELLECTUAL VIRTUES

- **Courage**
 - When Roberts and Wood talk about Courage they are NOT speaking about “recklessness.” Rather they address the issues of:
 - “Cowardice” and
 - “Scrupulosity” (we could rephrase that to mean “Perfectionism”)
 - ARE YOU WILLING TO DEFEND YOUR POSITION – or WILL YOU CAVE?
 - Two Word Answer – “It Depends”



INTELLECTUAL VIRTUES

- **Humility**
 - “Humility is opposite to a number of vices, including arrogance, vanity, conceit, egotism....”
 - Well, you get the idea! 😊
 - David Brooks writing for the New York Times provides an interesting perspective on humility, “... is not letting your own desire for status get in the way of accuracy. The humble person fights against vanity and self-importance.”
 - Is THAT ever a tough concept to live with?!?!?



INTELLECTUAL VIRTUES

- **Autonomy**

- “Well, that’s a new idea – so It must be right and I’d better get on the bandwagon!”
- Can you think independently?
- Do you have a mind of your own?
- Being a mechanic versus being a master mechanic
 - A story – A person I trained, we’ll call him Pete
- Versus the opposite of above, “You know what you know and you know it is right and by gosh that is the **ONLY** way I can act and think!”

- Note: As an example I have friends who are into conspiracy theories. You **CANNOT** change their mind!



INTELLECTUAL VIRTUES

- **Generosity**

- “Generosity is a disposition to give valuable things – material goods, time, attention, energy, concessions, credit, the benefit of the doubt, knowledge – to other persons.”
- Look around you
 - The conference planners, the presenters, those that make this seminar possible!!!
- In my opinion, the membership of the NPMA are the most **GENEROUS PEOPLE YOU CAN FIND ANYWHERE!!!**



INTELLECTUAL VIRTUES

- **Practical Wisdom**

- Look to your left, look to your right.
- Does the person next to you have any “PRACTICAL KNOWLEDGE?”
- And the answer for 99% of the Property and Asset Professionals in our field is... YES!!!
- We deal with Practical Knowledge on a daily basis.



INTELLECTUAL VIRTUES

- **Practical Wisdom**

- “We have stressed that the intellectual life is characterized through and through by **practices**, and that the intellectual virtues fit us well to pursue these.”
- Do we deal with “Practices?” Simple answer – Yup!!!
- How about the FAR References to “Industry Leading Practices (ILP)?”
- How about the concept of “BEST Practices”
- “Street smarts?”
- Can you USE what you have learned???



INTELLECTUAL VIRTUES

- So, to move one step further on our journey of professional maturation I have tried to introduce you to the philosophical construct of “Intellectual Virtues” :
 - Knowledge
 - Firmness
 - Courage
 - Humility
 - Autonomy
 - Generosity and
 - Practical Wisdom



RECAP

- With all of that said... We have a GREAT opportunity in front of us.
 - **“THEY” are looking at “US!!!” WHICH IS A GOOD THING!!!**
 - Our technical materials are growing by leaps and bounds
 - Our salaries are keeping pace with related career fields
 - The external visibility of our profession is being helped by the use of Voluntary Consensus Standards including ASTM and now ISO
 - And I have provided another managerial perspective as to your professional growth!



One Last Thought...

- “Rarely do we find men who willingly engage in hard, solid thinking. There is an almost universal quest for easy answers and half-baked solutions. Nothing pains some people more than having to think.”

– Martin Luther King, Jr.

- So, go out there and



THINK!!!



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THANK YOU!

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