

Enterprise Asset
Management (EAM),
Field Service
Management (FSM)
or both?



Your guide to **driving value** in the **business**



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Introduction:

Driving value in the business

Making an informed investment decision

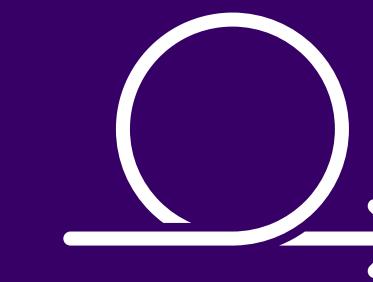
The modern enterprise technology customer has access to more options and information than ever before. But buying the right technology is difficult—and a process that can overwhelm even the most experienced C-Suite executives and teams.

Many CIOs across asset-intensive industries are uncertain about the roles played by Enterprise Asset Management (EAM) and Field Service Management (FSM)—and whether their organization has a need for both. This uncertainty is compounded by technology analysts using different categories to classify a vendor's products and solutions—who,

invariably, only offer the choice of one or the other capability.

To select the right solution for your organization, you need the key facts to understand the differences, similarities and overlaps between the two technologies—and the value the combination can drive in your business.

This guide will give you and your team the insight needed to make an informed investment decision—and achieve the business value and outcomes you define.



EAM and FSM have many similarities but differ significantly to address changing business environments¹. CIOs need to understand the differences between them to make informed investment decisions in these technologies and realize their full benefits.



Definitions and descriptions:

When it comes to deciding if you need EAM, FSM, or both, it helps to start at the beginning—with market definitions and descriptions.

What is enterprise asset management (EAM)?

EAM is a business application used by manufacturing and other asset-intensive industries to optimize the maintenance and repair of industrial plants and equipment². It is focused on solutions for organizations in asset-intensive industries such as heavy, discrete and process manufacturing industries, rail and energy/ utilities. Such organizations use EAM software products to address physical asset support requirements.



EAM is the process of managing the lifecycle of physical assets to maximize their use; save money; improve quality and efficiency; and safeguard health, safety and the environment⁴

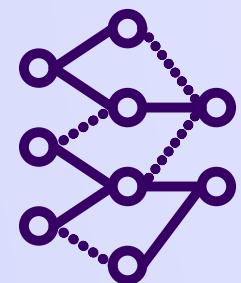
Why is EAM important²?

EAM enables you to manage asset maintenance and optimize the performance of your assets—from cradle to grave. It gives you visibility over your assets and equipment, helping you to make the most of your investments so you can make better maintenance decisions, improve day-to-day efficiencies and enhance compliance.

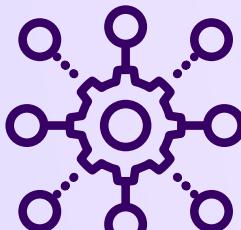
EAM enables companies to make better use of finite resources: tracking, overseeing, evaluating and optimizing their assets throughout the asset management lifecycle. It gives maintenance teams the ability to monitor and control asset reliability and quality in complex environments.

The immediate collection and analysis of operational data enable real-time insights into a networked asset's ability to fulfil performance requirements.

But it also depends on how complex the asset is:

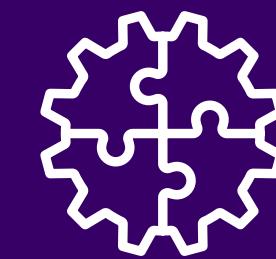


Simpler asset  **FSM**



Complex assets with many requirements and parts and multi-level BoM  **EAM**

Main components of EAM:



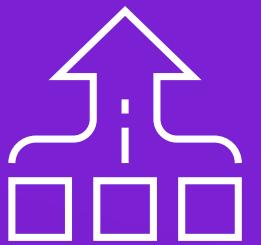
Work Management



Supplier warranty management



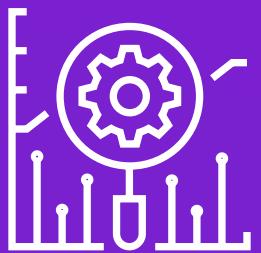
Maintenance procurement



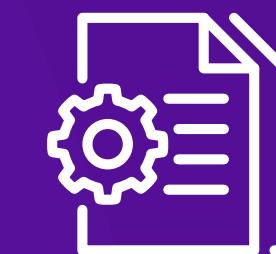
Resource and tool management



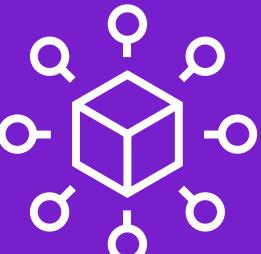
Maintenance supply chain



Monitoring

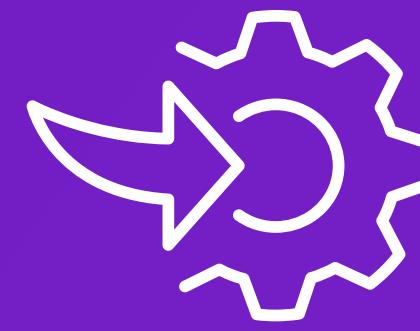


Maintenance planning and scheduling



Maintenance inventory

Benefits:



Improve asset utilization

Monitor the reliability and usage of assets and enable maintenance at the right time and at optimal cost.



Drive business efficiency

Automate asset management and orchestrate the delivery of the right people, tools and equipment to maintain an asset—and ensure efficient planning and execution by bringing together maintenance and operations. With standardized processes, data analytics and reporting, organizations can save time, reduce errors, and optimize asset performance.



Meet operational targets

Minimize asset downtime, reduce the cost of asset management, and extend asset lifespans. By so doing, organizations can maximize the profitability of their assets by meeting deadlines and remaining profitable for longer periods of time.



Support Environmental, Social, and Governance goals

Support ESG goals through better management and maintenance of assets. This includes monitoring assets for increased power consumption, identifying opportunities for extension of the asset lifespan, refurbishment, recycling, and reporting.

What is field service management (FSM)?

FSM suites support field service providers (FSPs), whose technicians typically travel to customer locations to provide installation, repair and maintenance services for equipment and systems—consumer, commercial or industrial.³

FSPs may also manage, maintain and monitor these assets under a predefined service or maintenance contract. FSM suites are delivered primarily as cloud-based services and mobile apps. However, some FSM vendors also provide the option to deploy some components on-premises.



FSM is a system of managing off-site workers and the resources they require to do their jobs efficiently. Originally a manual process, today, FSM software handles much of the information exchange and manages the field service process⁵.



Why is FSM important³?

FSM helps you manage essential field operations and processes—from assets and parts to contracts, invoices and warranties. It helps your end users to understand many aspects of your relationship with your customers, helping you move toward a service-oriented business model—building your business around improved outcomes for your clients. FSM suites are delivered primarily as cloud-based services and mobile apps.

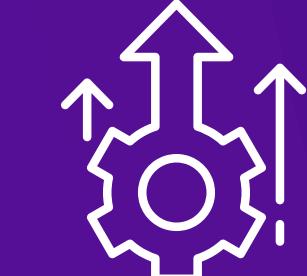
FSM enables off-site workers to do their jobs correctly and efficiently. Software tools provide them with the resources they need and establish a communication channel among office workers, field workers and customers. The software also helps structure and automate repetitive tasks—reducing errors.

FSM applications are also important in improving customer satisfaction, providing customers with information on order scheduling, service requests, work progress and payment.

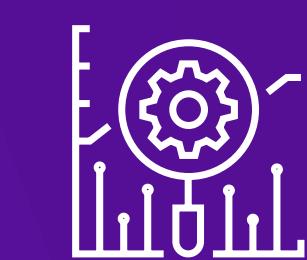
Main components of FSM:



Request management



Work order management



Inventory management



Technician Portal / Mobile App



Customer warranty & contract management



Capacity planning

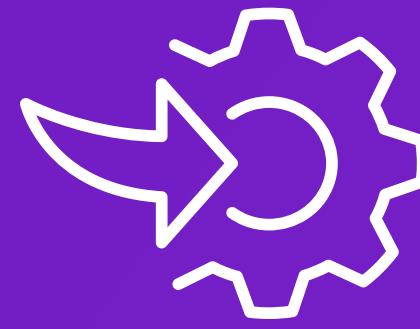


Job scheduling



Dispatch management

Benefits:



Increase business efficiency

Digitize and automate Field Service processes—reducing administration and connecting central and field teams.



Improve service margins

Maximize field worker utilization and reduce the use of subcontractors.



Increase customer satisfaction

Deliver more first-time fixes within contracted SLAs.



Improve visibility

Improve visibility into service performance across central and field-based service teams with more informed decision making.



Meet financial targets

Enable service teams to increase profitability by reducing SLA penalties and minimizing overtime.



Reduce carbon emissions

Benefit from more efficient scheduling by reducing technician travel.

EAM or FSM? The right tools for the job

Both EAM and FSM play important roles in managing physical assets, but in two different business scenarios:

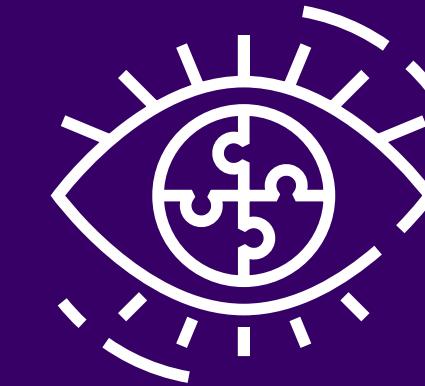


EAM

- Maintenance on-site or at a facility.
- Used by the asset owner itself, for their own assets.

Manages⁵:

- Entitlements and supplier warranties for each asset and component.
- Physical location of assets.
- Maintenance/preventive maintenance schedules and repair history.
- Monitoring and Internet of Things for performance, status, consumption, etc.
- Maintenance parts inventory.



FSM

- Servicing customer-owned assets.
- Servicing/maintaining assets out in the field.
- Typically used by a service provider or manufacturer.

Manages⁵:

- Customer warranty and contracts.
- Scheduling and dispatch of field technicians.
- Field technician skills, experience and location.
- Service level agreements by account/device.
- Spare parts inventory and ordering.



The need for both sets of technologies

Each set of technologies has its own strengths and potential benefits. But the differences between EAM and FSM are important because most asset-intensive industries will need both.

Typically, if you own assets that you need to maintain, you will need EAM. But if those assets are spread over multiple sites, or geographically dispersed, you may also need FSM. Conversely, if you service or maintain assets for customers you will need FSM—and increasingly EAM to fully understand and deliver these assets as a service. As an exception, FSM may also play a role in owned-asset maintenance when automated schedule optimization and remote locations are considerations.

Assets are becoming more complex

Many assets are now becoming ‘smart’ with sensors and connectivity (the Internet of Things-IoT) to report their basic status and faults. This will only continue for industrial, business and consumer products. This device data needs to be monitored and analyzed in real-time with events captured as part of asset history with EAM. These events drive the need for service and maintenance events in the field.

Assets have an increasing number of components that can be replaced and refurbished and reused as part of sustainability programs. Components

can come from different suppliers with different warranty terms and life expectancies. EAM systems can track these, and your field service teams need access to this asset information to know what to service, replace, and return for refurbishment vs. waste.

According to Gartner¹, through 2025, companies offering equipment as a service through product servitization will need EAM products enabled with remote monitoring of assets and remote support of field service workers, which will increasingly overlap with FSM.

Benefits of combining EAM and FSM

EAM and FSM applications are converging—with some analysts raising the possibility that organizations will look for single vendors of combined EAM and FSM capabilities in the future.

Together, at a strategic level, EAM and FSM can support you in your progression from reactive to proactive, helping you to:

- Automate scheduling of preventive maintenance visits
- Better inform repair appointments with accurate SLAs, entitlements, location, repair history, etc
- Proactively identify capacity, power, consumption or other issues
- Leverage AI to move from reactive to predictive maintenance

The cost of service delivery is rising regardless of industry. Requirements for skills, time, parts, tools and resources are all contributing to rising costs. For organizations to remain competitive, greater efficiencies are needed. As assets become more complex, it's important to fully understand components, modules and operational data to deliver appropriate service—as preventive measures, not break-

fix for EAM and to improve the efficiency and response times of teams in the field.

Incorporating EAM and FSM software into a single platform will reduce the complexity, costs and risks of integrating different data and systems. Enabling you to streamline business processes, boost productivity and, ultimately, make your organization more profitable.



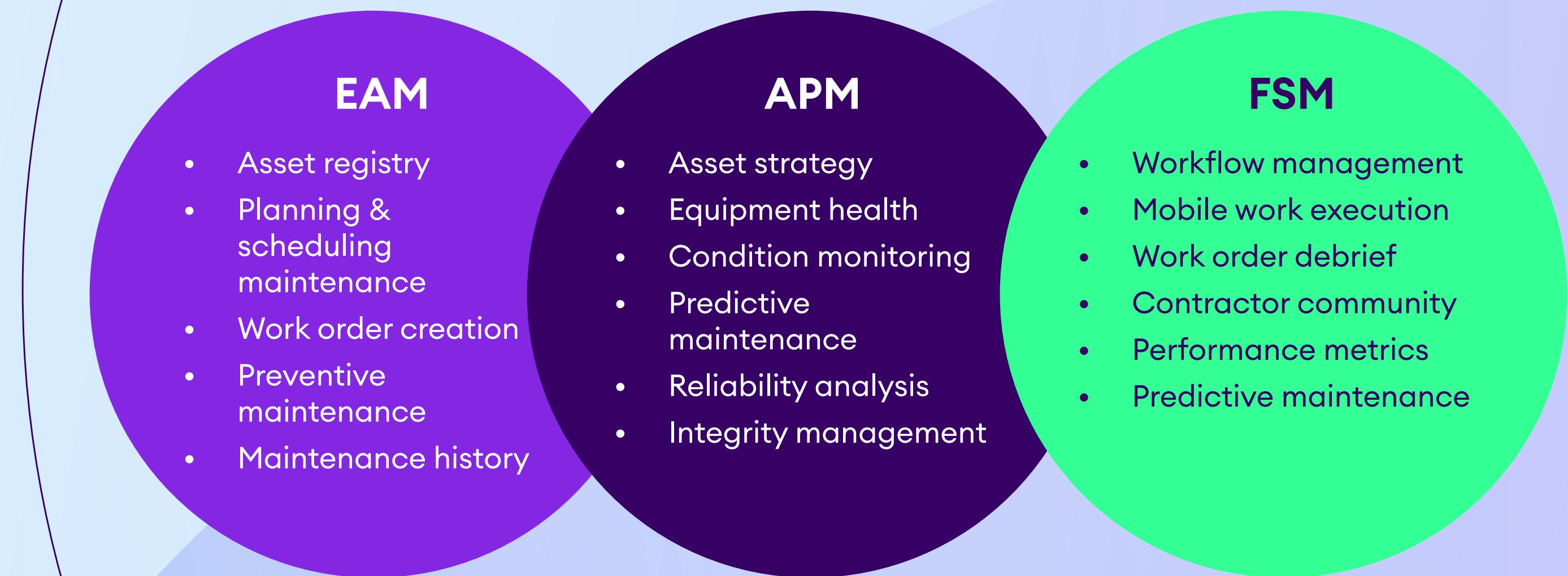
Adding Asset Performance Management (APM) to the equation

For asset-intensive organizations, maintenance and the cost of capital assets represent a large portion of the balance sheet. As assets become more intelligent, and EAM more capable, EAM has become a tool for facilitating more rigorous maintenance approaches—a stepping stone towards asset performance management (APM).

According to Gartner⁶, asset performance management (APM) encompasses the capabilities of data capture, integration, visualization and analytics tied together for the explicit purpose of improving the reliability and availability of physical assets. APM includes the concepts of condition monitoring, predictive forecasting and reliability-centered maintenance (RCM).

Together, with the right asset management software, APM can help you make asset management a strategic differentiator for your organization—as the role of assets in meeting corporate goals is clear.

Adding asset performance management (APM) creates incremental value around predictive maintenance



Define asset care requirements and provide historical record

Detect, predict & prevent equipment issues

Optimize execution of operations and maintenance activities

Source: Technology Services Industry Association (TSIA)

Staying ahead of the game

Meeting customer needs

In today's customer-driven environment, service is more important than ever before. It's the new product and will enable the move to outcome-based service.

With the increased focus on digital channels, your field service technicians are now the face of your organization—your ambassadors. They have the most direct customer contact and are best placed to improve the customer experience and drive customer satisfaction.

CIOs must deliver the desired outcomes that customers have for their assets and equipment by looking for opportunities to better leverage technology—embracing the service delivery models of the future. But service is also about getting the right people to the right places at the right

time, as efficiently as you can—meeting customer needs while saving money and time. Planning and scheduling optimization can help you to do that—working in real-time with FSM and EAM to help you look to the long-term.

Looking to the future, there will be an increasing reliance by asset-dependent companies on the use of EAM and FSM technologies to help set and achieve Environmental, Social and Governance (ESG) goals—underpinned by resilient asset management.



Enterprises will take steps to selectively increase cost reduction measures and speed time to value by:

- Maximizing utilization of their workforce and assets, increasing first-time fix rates and eliminating unnecessary travel
- Right-sizing asset utilization
- Investing in planning and scheduling optimization
- Deploying remote assistance to eliminate lengthy response times, allowing experts to remotely connect and guide the repair immediately, versus time spent transporting them to attend onsite.

Enterprises will take steps towards Maintenance 5.0 standards, where asset performance is actively managed for real-time optimization. They will rely on EAM and FSM to leverage new innovations, including AI, machine learning and other advances—for better, faster and more accurate oversight. And enterprises will increase investment in stronger data strategies to support advances in EAM and FSM technologies and the proliferation of data from connected devices.

“

In many ways, EAM and FSM are two sides of the same coin. They must be connected to optimize asset management and overall asset performance.”

Brian O'Rourke, IDC



Summary

Industry and technology trends driving the convergence of EAM and FSM are not going away. Whilst each set of technologies has its own strengths and potential benefits, the differences between them are important because most asset-intensive industries will need both.

CIOs and other C-Suite executives must understand the overlaps and the value the combination can drive in the business. Supporting the company's progression from reactive to proactive and the ability to improve asset performance and service delivery outcomes.

Adding asset performance management (APM) to the equation creates incremental value around predictive maintenance. Incorporating both sets of technology into a single platform reduces the complexity, costs and risks of integrating different data and systems—enabling you to streamline business processes, boost productivity and make the organization more profitable.



Looking ahead

As assets become more complex and customers demand more outcome-based contracts, many organizations will continue to benefit from FSM and EAM—now and into the future.

IFS: Delivering amazing Moments of Service

IFS develops and delivers cloud enterprise solutions for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations.

IFS solutions for EAM, FSM and ERP—allow your organization to have full control of all aspects of the asset, service and maintenance activities in real-time. IFS Cloud is designed to handle the complex asset

demands of the energy, utilities & resources, construction & engineering, manufacturing, telecommunications, service, aerospace and defence industries.

The industry expertise of our people and our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector.

IFS is excited to be leading the effort in the convergence of EAM and FSM technologies for organizations worldwide. Our combined service and operations model is important because it recognizes and supports existing inter-relatability between asset, service and field workforce management. By integrating EAM and FSM, these distinct aspects can work together.



IFS EAM

IFS EAM software provides the optimal solution for your industry, use case and usage profile. Our solutions optimize the management of your assets, control asset maintenance, and enhance asset performance from cradle to grave. With IFS EAM solutions, you can maximize asset value, improve safety, and boost productivity.



IFS FSM

IFS FSM enables you to deliver service excellence to meet today's customer expectations. From first call to final sign-off, the true, end-to-end software improves business efficiency, ensuring fast response times and real-time activity. Transforming field worker productivity and enabling you to transform from traditional maintenance to lucrative outcome-based contracts.

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- 3 *Gartner Magic Quadrant™ for Field Service Management* by Jim Robinson, Leif-Olaf Wallin. Published 24 October 2022.
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Recommended further reading:

The Future of Field Service is More Intelligent, IDC Survey Spotlight by Aly Pinder, January 2023. Data comes from Future Enterprise Resiliency and Spending Survey, IDC, Wave 11 (December 2022) and SaaSPath Survey March 2022, IDC

Market Analysis Perspective: Worldwide Manufacturing Service Life-Cycle Management Applications, 2022, by Aly Pinder, November 2022, IDC

About IFS

IFS develops and delivers cloud enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations.

Within our single platform, our industry specific products are innately connected to a single data model and use embedded digital innovation so that our customers can be their best when it really matters to their customers – at the Moment of Service™.

The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector. Our global team of over 5,500 employees every day live our values of agility, trustworthiness and collaboration in how we support thousands of customers.

Learn more about how our enterprise software solutions can help your business today at [ifs.com](https://www.ifs.com).

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