



Standard Practice for Prioritizing Asset Resources in Acquisition, Utilization, and Disposition¹

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INTRODUCTION

Identifying assets that are most critical to a mission or practice is challenging for most business entities. The ability of a business entity to minimize the gap between its asset portfolio and ever-changing organizational missions often determines its success or failure in achieving designed objectives. The goal of this practice is to provide managers with a disciplined, quantitative approach to an inherently subjective decision-making process: determining which assets are critical to an entity's designated mission and are therefore deserving of priority attention or funding.

1. Scope

1.1 The asset priority index (API) establishes a quantitative process for prioritizing asset resources in acquisition, utilization, and disposition to provide entities with a proven methodology to prioritize asset resources.

1.2 The API is a metric used to communicate the relative importance of equipment in terms of mission criticality, security, or other measures important to the business entity. It offers a method for ranking assets based on judgment/ importance factors defined by the organization, creating information to justify compelling arguments for investment, security strategies, and disposition plans.

1.3 The API also provides a quantitative basis for determining and documenting operational relationships between an asset portfolio and business objectives capital investment strategies, maintenance approaches, security design and analyses, continuity of business/risk analyses, and disposition decisions.

1.4 The API enables management to identify critical assets and allocate resources appropriately.

1.5 The API model is designed to be applicable and appropriate for entities holding equipment with a material impact on the entity's mission.

1.6 In addition to the applicability of moveable and durable assets as defined in this practice, this methodology is similarly

used in the analysis of investments in buildings and building systems (see Practice [E1765](#)).

1.7 This practice offers instructions for performing one or more specific operations. This document cannot replace education or experience and should be used in conjunction with professional judgment. Not all aspects of this practice may be applicable in all circumstances. This ASTM standard is neither intended to represent or replace the standard of care by which the adequacy of a given professional service must be judged, nor should this document be applied without consideration of a project's many unique aspects. The word "Standard" in the title means only that the document has been approved through the ASTM International consensus process.

2. Referenced Documents

2.1 ASTM Standards:²

[E1765](#) Practice for Applying Analytical Hierarchy Process (AHP) to Multiattribute Decision Analysis of Investments Related to Buildings and Building Systems

[E2135](#) Terminology for Property and Asset Management

[E2811](#) Practice for Management of Low Risk Property (LRP)

3. Terminology

3.1 Definitions:

3.1.1 *asset portfolio, n*—assets that are within the scope of the asset management system.

¹ This practice is under the jurisdiction of ASTM Committee [E53](#) on Asset Management and is the direct responsibility of Subcommittee [E53.05](#) on Property Management Maturity.

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² For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org. For Annual Book of ASTM Standards volume information, refer to the standard's Document Summary page on the ASTM website.