



ECI Annual Conference 3rd October 2018; Fluor Offices Collaborating at Project Level

Andy Brown - Director, Operations ECITB

andy.brown@ecitb.org.uk

Starting Point – Change in circumstances in the Oil & Gas sector (UKCS)

- **Collaborate to remain competitive – Sir Ian Wood Report (Maximising Economic Recovery - MER) 2014**
 - Increased control and competition at a business and project level do not guarantee competitiveness.
 - Positive examples of collaborative behaviour leading to project success.
 - Report focus mainly on the need for more business / business and operator / operator collaboration.
 - Dramatic oil price reduction in Q4 2014 (from circa \$110 / BBL) drove urgent oil & gas sector action.
- **New Industry Regulator formed in 2015 – Oil & Gas Authority (OGA)**
 - MER Report recommended.
 - With powers to mandate industry collaboration.
- **ECITB Project Management Conference – Nov 2015**
 - Collaboration for Efficiency and Cost Reduction
 - Collaboration Workshop feedback
 - How do we really improve collaboration at project level??
 - Many of the PM conference delegates were looking for help with how to achieve project collaboration.

- **Exam Question:**
- Who should take the first step?
- **Project Collaboration**
 - The ECITB Project Collaboration Toolkit
 - Pilot Projects

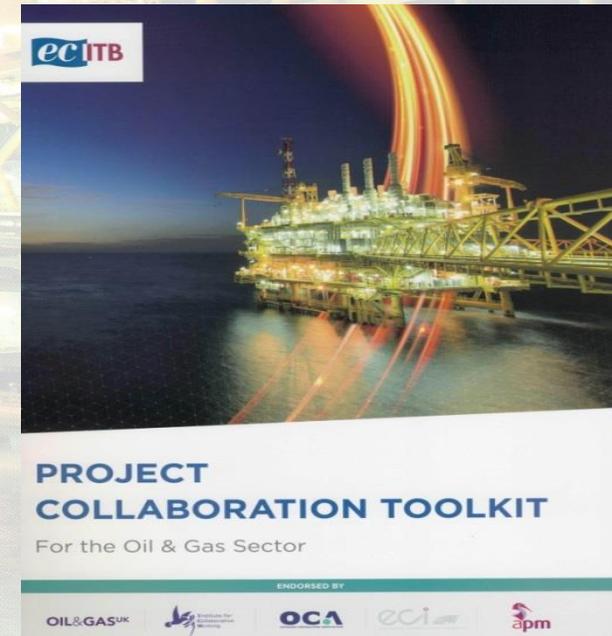


The 2015 ECITB PM Conference showed there was an
**‘overwhelming endorsement for a
better approach to project collaboration’**

In 2016 the ECITB launched the ‘PCT’

Project Collaboration Toolkit

It’s designed to provide an easy to use ‘go to’ guide
to support project collaboration
from inception through to close-out.



Major refinery complex: Asset reliability programme – a data management project

UKCS new field development: Subsea and tie-back project

Major offshore platform: Decommissioning and topsides removal project

Production: Concentric gas lift flowline project

UKCS major field: Second phase development project

Nuclear: ECITB PCT / Nuclear Sector collaborative practice comparison



Brent Bravo Decommissioning

- Through the principles of collaboration, the project team size was reduced by 20%
- Project was delivered within a very tight 11 month period
- Base workscope delivered significantly under budget
 - Additional workscopes to be included without any additional funds required.
- Reduction in like for like removal preparation costs vs Delta of circa 70%.

Brent Bravo



Callater – North Sea Subsea Tie-back

Through active collaboration the Apache Callater project team were able to achieve:

- Fast ramp up, less than 6 weeks after award(s)
- Critical items of scope ordered/completed early
- A smaller team size, efficient communications, no man-marking or role duplication
- 10% cost saving overall against original approved budget
- A better, more effective way of working and:
- Faster project delivery and start-up

[Callater](#)



Total Alwyn Gas Flow Line

- Small project to use existing material and lines.
- PCT used for engineering and detailed design phases.
- Closer communication and common understanding of scope

Project Collaboration Benchmarking and review

- PCT compares well with highly regulated sector.
- Review supports revision 2 of the PCT.

Nexen Buzzard Phase 2

“Nexen Buzzard Phase 2 – Field Extension - Live update from the 5th case study into the use of the Toolkit has shown that the Toolkit has helped support the business case for the setting up of a collaboration between the main drilling, well operations, subsea and topside facilities contractors with a single interface with the client. Nexen are benchmarking their collaborative behaviour against the metrics in the Toolkit and the early signs are really positive”.

You can't mandate collaboration.....

Communication, coordination and cooperation together may NOT, on their own, deliver collaboration.

Collaboration is a state of being which produces a culture of 'one team, one vision, one project'.

It is founded on trust, honesty and openness and includes a 'no blame' approach to work and learning.

It's an organic process dependent on TRUST



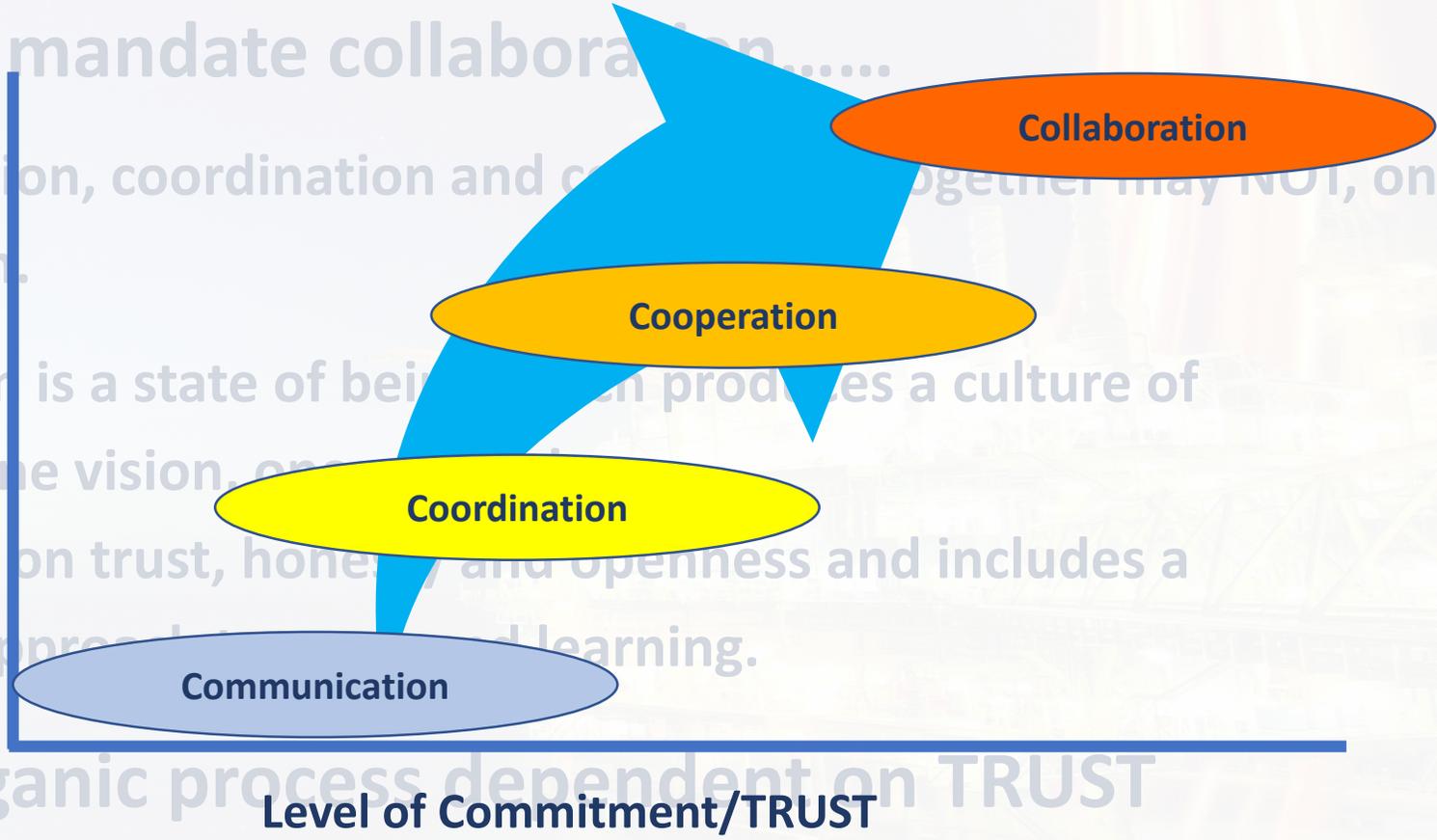
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Value Creation is a state of being when production produces a culture of 'one team, one vision, one mission'.

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'The right organisation helps to reduce cost through improved execution, efficiency and delivery'

OIL&GAS^{UK}

-  Leadership & management commitment
-  Strong team:
 - Hand picked
 - Empowered
 - Right sized
-  Agile – adaptive and responsive as demand changes
-  Focused on outcomes
-  One location – One organisation – One team
-  One plan – One report – One way of working
-  Open & continuous communications save money
-  Engineering and business controls in support roles
-  Project Behavioural & Safety Charters matter

} One source
of Truth

The opportunities for direct comparisons are rare but:

**We now know it's possible to achieve a
40% cost saving on a like for like project**

We see no reason why substantial savings like this can't be achieved on other projects through collaborative working.

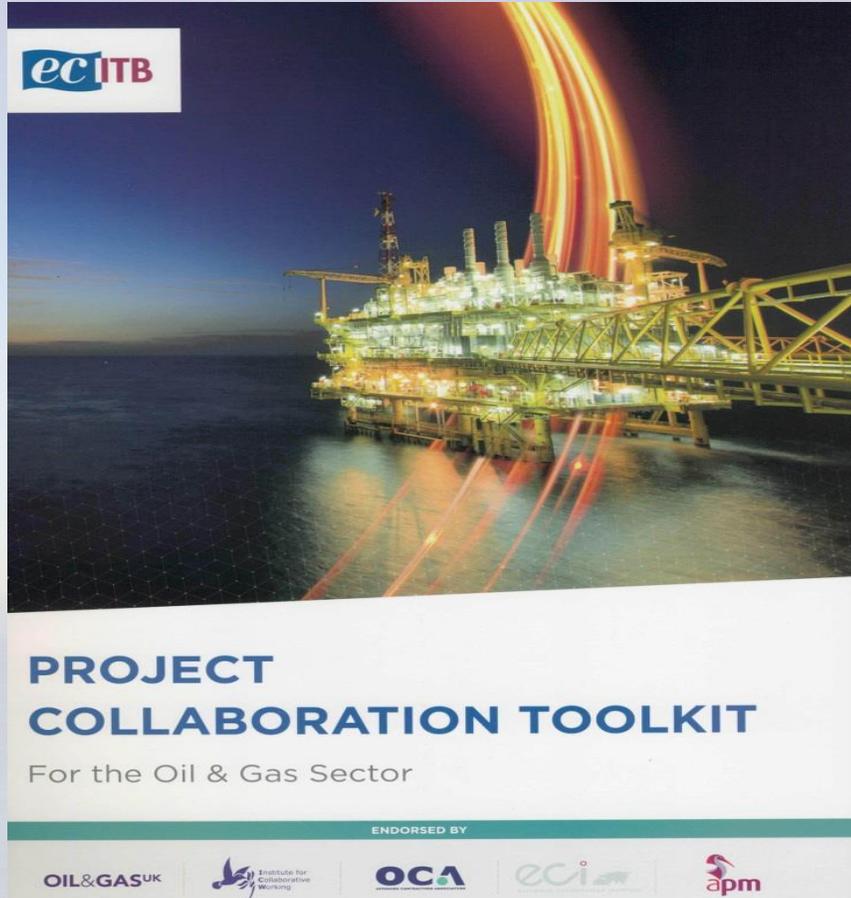


**Collaboration isn't a buzzword or a fad;
it's an essential part of how we need to operate
in today's challenging business environment.**

**The reality is true collaboration is hard –
it doesn't mean compromise or consensus seeking.**

It is reliant on trust and belief in the goal.

Lyn Power CEO J Walter Thompson



Take the first steps

<https://www.ecitb.org.uk/Project-Management/Collaboration/Project-Collaboration-Toolkit>