



# ECI Annual Conference 3<sup>rd</sup> October 2018; Fluor Offices

## Collaborating at Project Level

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## 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



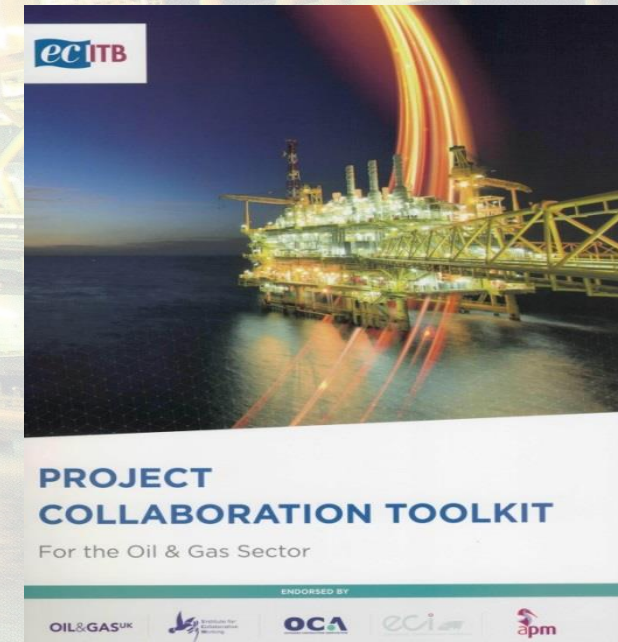


The 2015 ECITB PM Conference showed there was an  
**‘overwhelming endorsement for a  
better approach to project collaboration’**

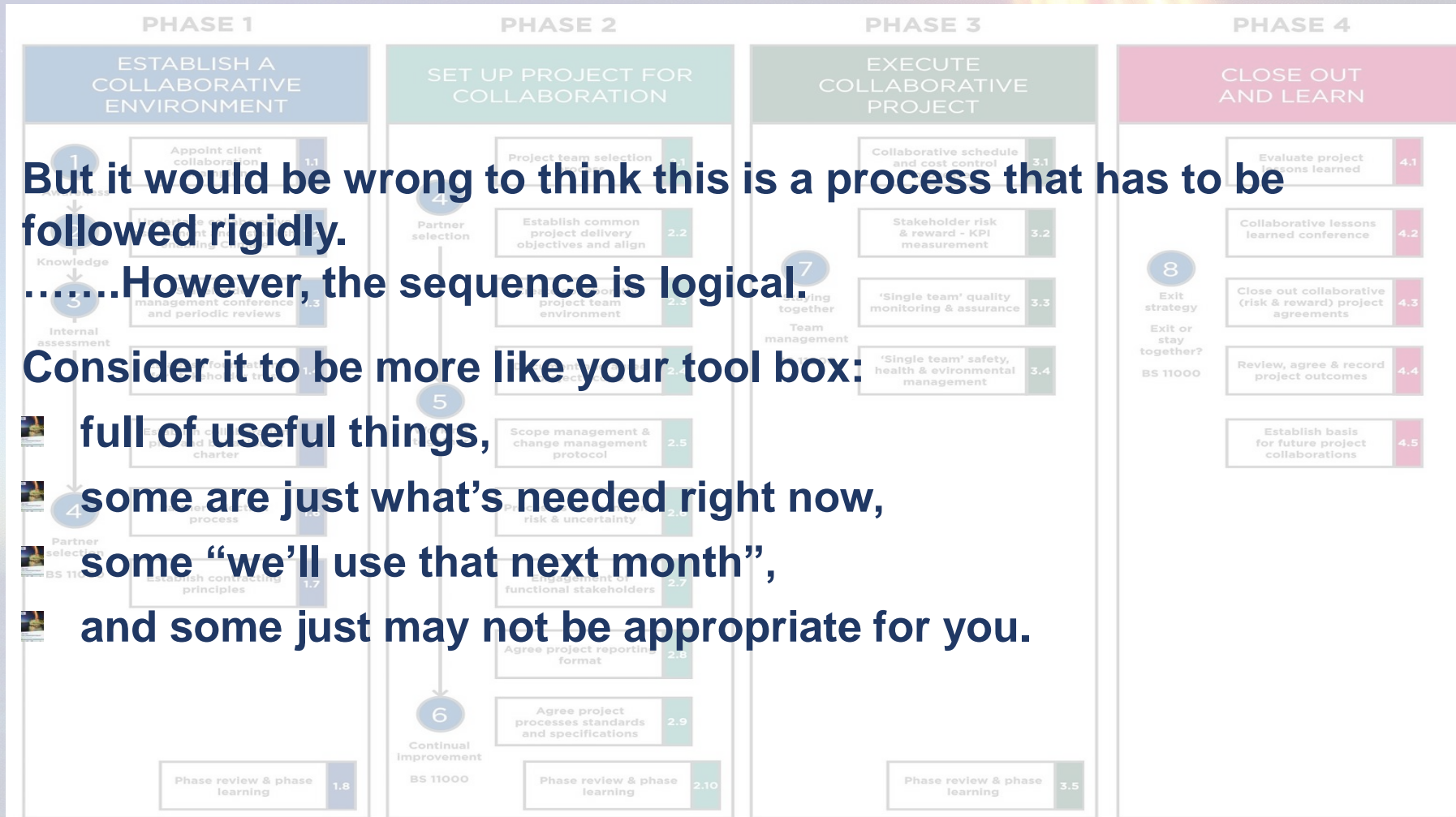
In 2016 the ECITB launched the ‘PCT’

## **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 5<sup>th</sup> 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**





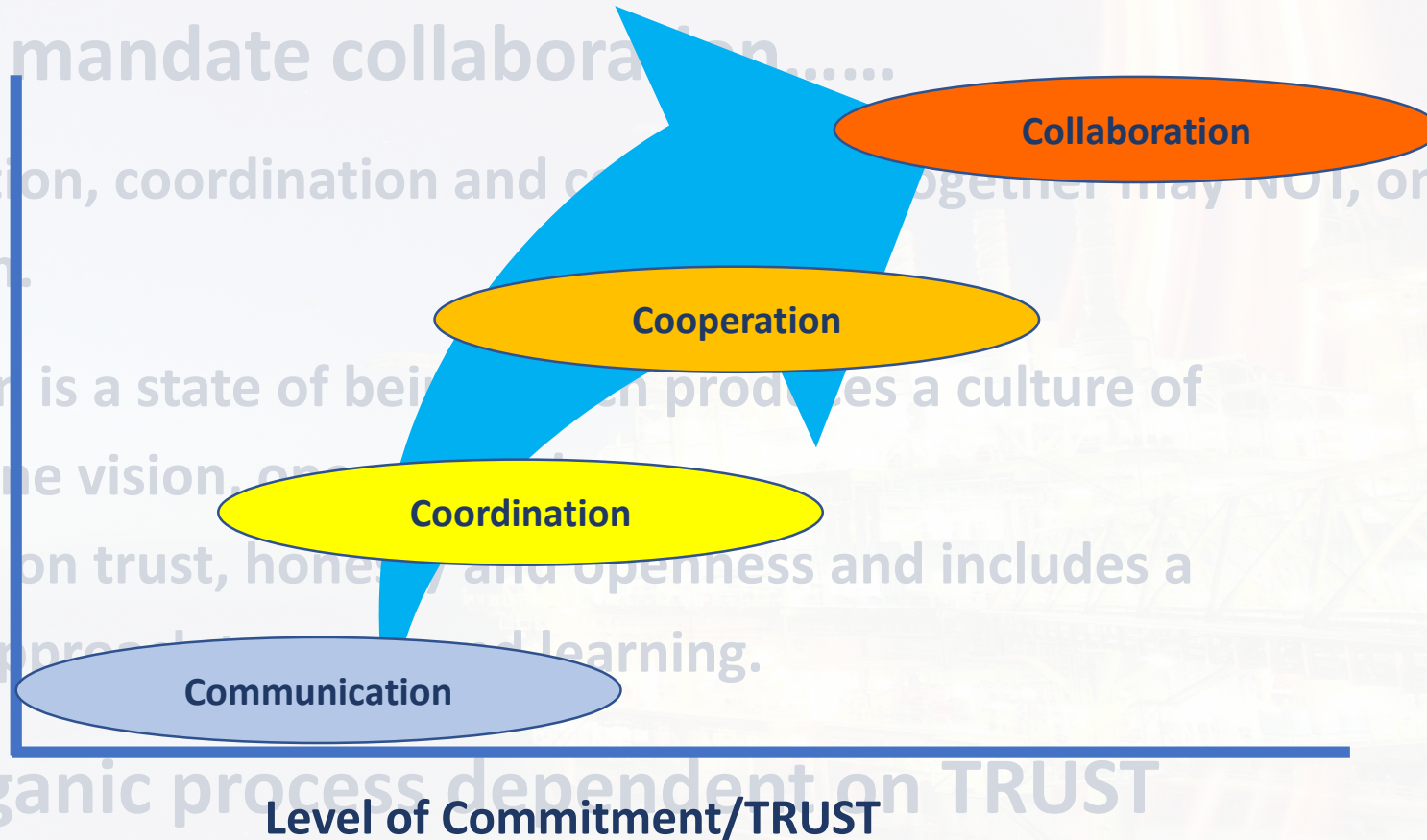
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*'The right organisation helps to reduce cost through improved execution, efficiency and delivery'*

OIL&GAS<sup>UK</sup>

-  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.





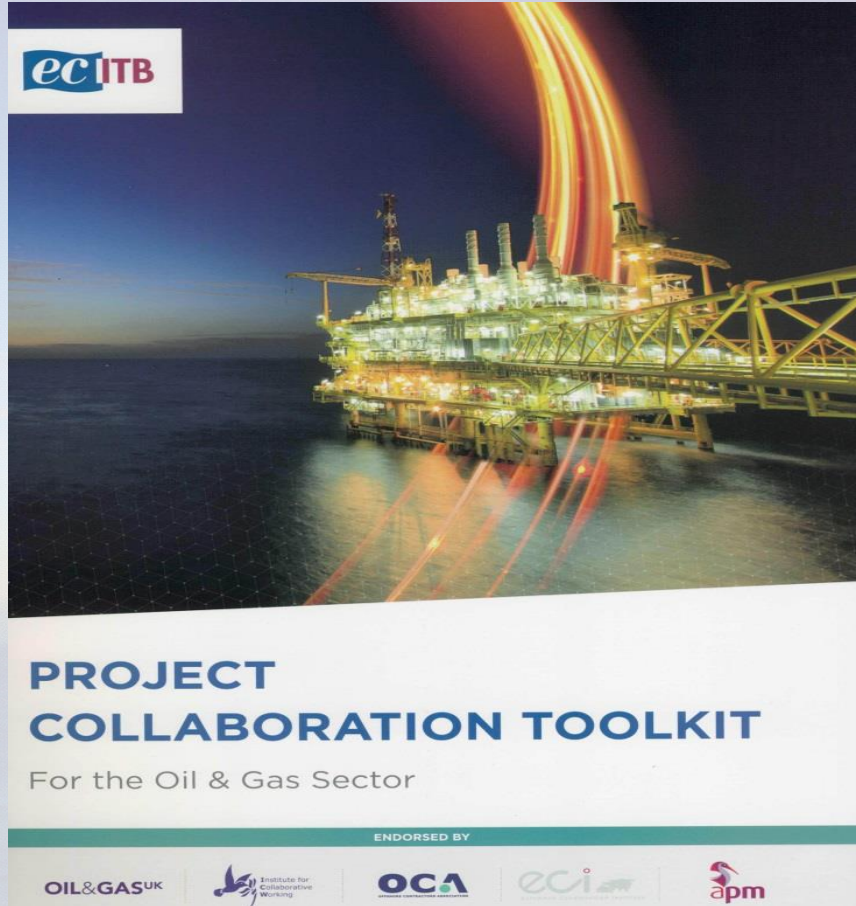
**Collaboration isn't a buzzword or a fad;  
it's an essential part of how we need to operate  
in today's challenging business environment.**

**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>