CASE STUDY

Reduced Cost and Improved Productivity and Equipment Availability at an Oil and Gas Facility

Situation
One of the largest multinational oil and gas companies with operations including exploration and production, refining, transport, distribution, petrochemicals, power generation, and trading was looking for ways to better control rising costs at their onshore and offshore facilities. Additionally, as their unplanned deferment rates continued to rise, there was a perception that labor productivity was decreasing.

GP Strategies® conducted operational excellence (OE) assessments at several locations, which uncovered the following gaps: little or no maintenance planning and scheduling; lack of transparency between operations, engineering, and maintenance activities; poor utilization of their CMMS; and metrics (KPIs) that had no connection to the overall work management process.

Using data from the OE assessments, GP Strategies developed a world-class maintenance execution process to drive performance improvement.

Business Impact

Gained cost-savings of >$220k on material expediting

Increased maintenance productivity from 30% to >75%
The Challenge
Following the OE assessments, the company stakeholders realized changes needed to occur; however, they needed to achieve buy-in from each location. The company needed to determine methods that could refine the overall Maintenance Execution Program in order to realize cost savings and improved efficiency.

GP Strategies Solution
GP Strategies collaborated with the customer to help present reasons for change to their senior management to gain support and sponsorship.

A role-based competency assessment was conducted, which generated clear gaps that needed to be addressed. After the competency assessment, a maintenance execution assessment was conducted that consisted of 24 elements and 130 specifically defined criteria that, when corrected, would place the site as performing at better than industry average.

GP Strategies used the outcome of the assessment to define the existing gaps between the “as-is” condition and the future “to-be” condition, and then created a gap closure plan. The gap closure focused on teamwork between the Operations and Maintenance teams, using the CMMS to enable maintenance delivery, and the use of a Measures Dashboard software tool to display the maintenance execution process.

GP Strategies developed a world-class maintenance-execution process, which covered the following areas:

- Identifying the gaps
- Prioritizing
- Preparing for asset maintenance
- Determining when to schedule maintenance
- Executing and closing out the maintenance process
- Reviewing and improving the maintenance process

Implementation is being achieved through changing the way people work together as teams, using the CMMS to enable maintenance delivery, and monitoring KPIs through the Measures Dashboard to report the outcome performance in a weekly and monthly trend.

GP Strategies helped improve compliance, productivity, reliability, and asset availability for the customer.
Business Impact
Following the maintenance-execution process, GP Strategies developed the complete work management process, focusing on identifying and removing the waste (non-value-added activity) and ensuring the integrity of maintenance activities. This helped improve compliance, productivity, reliability, and asset availability for the customer.

- Gained cost-savings of >$220k on material expediting.
- Identified the main causes of non-value added maintenance, which increased maintenance productivity from 30% to >75%.
- Schedule compliance improved from 24% to averaging over 90%; PM compliance averaged around 85% and is now at >98% in just 9 months.
- Production output increased by >18%, or $900k/day.
- The company has achieved close to 100% maintenance availability year to date, having finished the previous year at 89%.
- 24% more work is completed with the same workforce.
- A clear and transparent reporting structure was created.

For more information about how our ASSET PERFORMANCE MANAGEMENT solutions can make a meaningful impact, visit www.gpstrategies.com.

About GP Strategies
GP Strategies is a leading workforce transformation partner—one of the few truly dedicated global providers in the marketplace providing custom solutions. We believe our transformation focus, when paired with deep listening, a customer-centric approach, and innovative expertise, enables our clients to routinely achieve superior business and operational results from our evidence-driven and technology agnostic recommendations.

Whether your business success requires a change in employee performance and mindsets, learning technologies, or critical processes, GP Strategies is the transformation partner you can trust.