

Operations and process team drives performance and service improvements

Delivery of excellence

A global team working across Shell Chemicals is charged with the delivery of safe, high performing and efficient processes. Driving continuous operational improvement is not only vital to safe, competitive performance but also to better customer service.

The Chemicals Operations and Process Excellence (COPE) team was established to bring fresh focus and attention to business

critical operations. Its mission is to continuously improve processes through simple, effective solutions to issues or challenges that impact performance.

Team leader, David Byrne, says: "We act as a consultancy to the business and aim to deliver 'best in class' processes by implementing creative solutions and continuously challenging the status quo.

"We are here to generate competitive advantage that is ultimately recognised by customers as contributing to the Shell Chemicals value proposition."

BUSINESS PRIORITIES

The COPE team's work is guided by business priorities but cuts across all products, functions and geographic regions. Main areas of focus, however, are HSSE (Health, Safety Security and Environment), supply chain and logistics issues. "These are areas that can make a real difference to levels of customer satisfaction," says Byrne.

"Working from outside the business means we have a different perspective and bring resources and expertise to bear that may not be available within an individual product area or function.

"By taking on these issues, attention

David Byrne Chemicals Operations and Process Excellence Team Leader - the main areas addressed by the COPE team include safety, supply chain and logistics as they have the biggest impact on customer satisfaction.



or focus is not diverted away from the day-to-day priorities, he says. "The outcome of many solutions is that the business concerned is able to make more effective and robust commercial decisions that translate into benefits for the customer as well as for Shell Chemicals.

"Typically we are asked to redesign supply chains to make more product available within constrained assets."

Having a global view allows the COPE team to leverage best practice, risk analysis and benchmarking tools to develop the most effective solutions. Within its first two years it has addressed



a variety of issues related to market growth, competitive pressures, quality issues or performance in critical areas such as on-time delivery and safety.

In North America the COPE team worked with the Aromatics business to analyse barge utilisation, to enable it to schedule shipments more effectively. In Asia, the rising cost of marine transport was also impacting the styrene monomer supply chain. "With some detailed analysis we were able to work with the regional supply manager to redesign the SM marine supply chain to ensure product was being moved as efficiently as possible."

A MORE EFFICIENT WAY OF WORKING TOGETHER

As part of ongoing efforts to improve operational processes that serve customers, a new set of clear and simple standards have been introduced for bulk products transported by road and rail.

"We are introducing simple guidelines that help to bring some clarity and consistency to the way we work with customers," explains Project Lead Jeremy Rodell. "They will enable us to work more efficiently together and help customers get the most out of their operational relationship with Shell.

"In practice, many customers will not notice much difference as the way we work together is already in line with the new standards. But if we can reduce the number of non-standard routine operations, we can

focus attention on cases where customers really need our flexibility."



The new Service and Delivery standards are already in operation in Europe and will be introduced in the US and Canada in early 2009. Similar guidelines are also being considered for other regions.

The Service and delivery standards summary brochure is available, in multiple languages, online at: shell.com/chemicals/customer.

SAFER DELIVERIES

Earlier this year COPE conducted a review of logistics operations in Europe, which resulted in a new global process for dealing with non-standard supply practices. "In the past, non-standard delivery or storage processes may have unintentionally conflicted with normal Shell procedures. In some cases, they may have led to potentially unsafe practices," explains Byrne.

"We now have a process, which will be rolled out globally by end of 2008, to help ensure that all delivery operations are conducted safely. By continually assessing existing practices we can greatly reduce the risk of people getting hurt during delivery and unloading."

CUSTOMER SATISFACTION

The COPE team is also responsible for measuring the overall levels of service experienced by customers by managing customer surveys, an effort led by Arda van Dongen, Process Improvement Manager for Europe/Africa. "We have re-designed the way we monitor customer satisfaction and now undertake two types of regular surveys: a simple web-based one for operational people to rank our performance in key areas; and a senior

management level survey which involves discussions about what Shell is like to do business with," says van Dongen.

Survey results are analysed by COPE and reported back to the business and customer service functions. "Wherever possible we provide concrete examples of where we can improve," she adds.

Similarly, COPE is involved in the quality notification process, which captures issues or complaints raised by customers.

"Some recurring issues can usually be traced back to a weakness in a process somewhere," says Byrne. "Analysing processes in detail can help to drive out niggling quality or performance issues and once we rectify an issue the solution can be replicated across the world."

He says increasing external pressures from rising costs, logistics challenges and growing demand requires commitment to continuous improvement in supply chain design and customer service processes. "Ultimately, by driving inefficiencies out of these critical areas, and working safely, we are able to serve customers better."

