

Drive for continuous improvement

Shell Global Solutions' motto is a simple one, "Almost anything can be improved." Ultimately, that is the aim of all business—to keep delivering better products and services for society and to operate more effective and efficient organisations. But the vexing question is: How is it achieved in the real world?

The difficulty facing many businesses in the hydrocarbon processing sector is in implementation where so much of Shell Global Solutions' experience lies.

"Answering questions, such as where are we going wrong and what needs to change, is usually the easy bit," says Pieter van Gerven, Centre of Excellence Leader at Shell Global Solutions' Opportunity Confirmation Programme (OCP).

"The tough bit is making it happen in the real world and that is where many companies often struggle," he adds. "We adopt an 'integrated approach' where Shell Global Solutions and the client work together to design an holistic business improvement programme."

Shell Global Solutions' approach is based on the idea that the 'hard' parts—assets, machinery, plant, etc.—of the hydrocarbon processing business cannot be reviewed in isolation. Functional and technical excellence is vital; but organisational and leadership effectiveness must be considered as well. Sustainable improvement of any business demands this twin-track approach.

Shell Global Solutions has wide ranging expertise in both areas. The technical expertise and the know-how are often used to improve the way organisations are managed by merging functional and organisational excellence to become a world-class organisation."

"Ultimately, this approach has delivered great value for money to Shell businesses and a range of other organisations, both in the state and private sector" adds Rik Gierman, Shell Global Solutions' Global Consultancy Manager.

"Annual benefits up to \$100 million are not uncommon after two or three years of pursuing the OCP route to continuous improvement. There is no great secret. The potential for improvement is always there; you just have to know where to look—a process we call 'making more of what you've got'," adds Mr. Gierman.

Crucial to continuous improvement is reviewing existing assets and searching for ways in which to make them world-class performers. Too often, at the refineries that Shell Global Solutions is consulting with, there is all this knowledge and experience and it's not being used at all, or only parts of such information is being applied.

The key to searching for improvement is striving to unlock this potential. The OCP works with clients to unlock their potential in a number of ways.

First, the business as a whole is examined under the microscope to measure actual performance against what it could have been, given the quality of the organisation's employees

and other assets. Areas are identified where the gaps are small, along with areas where the gaps are large. From this, changes requiring low investment, but that can deliver early wins, are proposed.

Overall, a results-driven philosophy—which considers the sensitivities and uncertainties of human behaviour—is adopted, rather than an activity-centred approach. And, throughout the process, the financial case for change is constantly emphasised.

The OCP helps businesses formulate an integrated business improvement programme (BIP); this builds on the short-term improvements to create momentum and sustained positive change. An executive steering team usually takes charge of the BIP. Crucially, both Shell Global Solutions' advisors and senior executives from the client organisation are part of this team.

"The benefits of this are enormous," adds Mr. Gierman. "But it's only achieved by Shell Global Solutions working as a team *with* the organisation. Our experience has shown that this helps create more ownership on the ground—and this is crucial for success. It also helps make these changes sustainable by combining, and leveraging in, the collective knowledge, experience and expertise of everyone involved."

Teamwork is central to the success of the integrated BIP, which Shell Global Solutions is currently working on at the Petroleum Company of Trinidad and Tobago (Petrotrin).

"The example of Petrotrin is typical of the way Shell Global Solutions works when it comes to business improvement," says Mr. van Gerven. "Delivery of the programme is a joint effort—with a taskforce of Petrotrin employees governing the implementation process, supported by key specialists from Shell. These specialists are available to help steer the taskforce through the complex process of change—delivering full-time project support, leadership/business coaching and performance management."

The breadth of areas covered by the programme is also typical. Almost every aspect of the business—including asset integrity and reliability, hydrocarbon management, operational excellence, supply-chain management, health, safety and environment, and organisational change management—are brought within its scope.

Mr. van Gerven adds, "In order to optimise economic returns, we tailored the programme to meet the client's operational needs and to identify ways in which the company's capabilities and skills could be enhanced so that the improvements are sustained."

He says, "Ultimately, what this programme delivered for Petrotrin can also be delivered for other companies in the hydrocarbon processing sector—quantifiable and tangible benefits that support operational performance targets are achieved in line with the organisation's strategic goals."

"The bottom line is this—financial benefits can be achieved by adopting this approach. It's tried and tested; it's been shown to work time and time again." ■

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