

# How standardisation can cut costs and increase HSE compliance in Oil & Gas projects



The Oil and Gas industry is saving on cost, reducing risk and gaining efficiency by standardising project management.

The Oil and Gas industry comes from a tradition of developing individual projects, but it is changing its approach. All three segments (upstream, midstream and downstream) of the Oil and Gas sector can reap the benefits of standardising methodologies and creating repeatable processes by developing a portfolio of projects templates that address common scenarios, tasks or designs.

“Through standardisation of components and project management methodologies, oil and gas firms can reduce costs on their projects by 15%-30% and time to completion by 15%-40% once a firm’s process is optimised.”

(Source: Economist Intelligence Unit Report, 2011)

- Cut costs
- Reduce risk
- Increase profitability
- Speed up delivery & save time
- Shorten the compliance process
- Gain consistency
- Create collaboration
- Streamline decision making

## Driving value through replication

More standardisation of processes from site to site increases the probability of successful project and reduces risk in your portfolio. By replicating rigs and components as well as projects, you can minimise costs as materials can be bought in higher volume.

## Cutting costs & time

Repeating methods, designs and materials in a project reduces cycle times and wasted cost. By implementing repeatable processes, new resources working on a project can get up to speed a lot faster, using knowledge and documents defined at the beginning.

## Governance & control

Standardising projects and documenting best practices can give you control of the adherence of HSE procedures across your project portfolio and ensure that all project participants are following the defined HSE procedures.

## Applying lessons learned

Reduce risk through learning from previous projects, recording lessons learned and applying knowledge to new projects. Every time issues are identified and improvements are made, the standardisation process is optimised- it's a constantly evolving process. This gives you the opportunity to define strategies and deliver more profitable projects.

## Collaborating for success

Maximise efficiency and streamline the decision making process, by creating a more collaborative environment between suppliers, contractors and project teams. Through standardisation, you can develop long-term relationships with suppliers and vendors, and as a result, reduce delivery cycles and risk of errors.

## Challenges

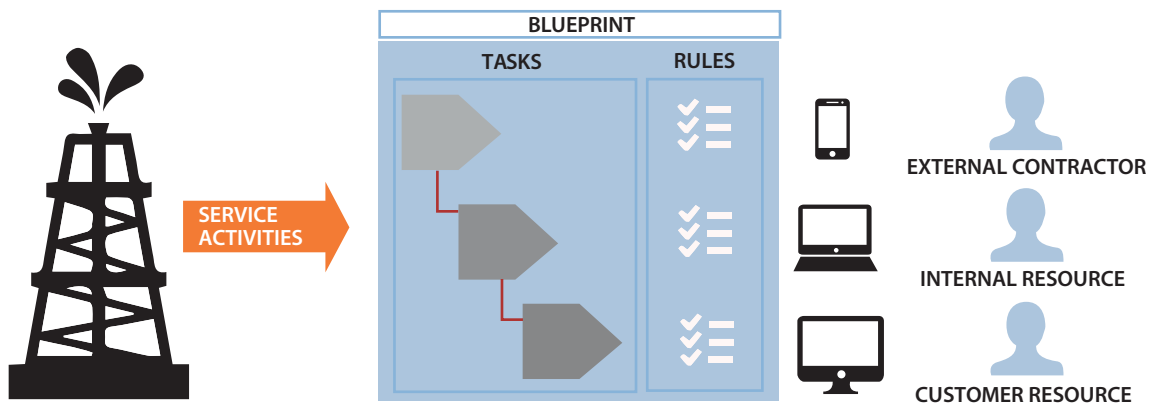
- Managing cash flow
- Monitoring risk against health & safety requirements
- Teams working in siloes and not working to same project goals
- Re-work, delays and misunderstandings
- Governance and control to ensure people follow procedures/ best practices and comply with government requirements
- Assessing results and ROI
- Predicting long-term costs

## Managing Occupational Health and Safety Risks

Ensure safety of different sites by correctly mapping the business processes, risks and controls. Strategies and action plans must be well documented and should be easily understood and readily available to all the workers. Hydra can enable the implementation of an Occupational Safety and Health Management System (OSHMS) to manage lessons learned and best practices, policy, organising, planning and implementation, evaluation and action for improvement for the Oil and Gas sector.

## Orchestrating resources around best practices

With Hydra you ensure that all resources working on the delivery of a service/project (e.g. well completion) are performing in accordance to your best practices and compliance rules. New resources are quickly brought up to the optimal performance level. By gaining control of your resources and external contractors you are able to reduce human error and eliminate risk.



## Controlling quality and time cycles against best practices

With best practices, knowledge and documents defined in the blueprint, Hydra can give you ultimate control over project quality and accelerate the task approval process to completion.

