Global Drilling Company
Drilling for improved performance

The company is the world’s largest offshore drilling company. It excels at constructing oil and natural gas wells in deep waters and harsh environments. They provide rigs for all types of petroleum companies in offshore drilling markets that include the Norwegian and U.K. sectors of the North Sea, U.S. Gulf of Mexico and Eastern Canada, Brazil, West Africa, Asia, Australia, Middle East, India and the Mediterranean.

ANALYSIS
Renoir Oil & Gas was invited to investigate performance on 2 pilot rigs of one of the company’s business units. Using a series of qualitative and quantitative techniques, the survey highlighted the following:

• Front line supervision was passive.
• Weak management performance systems.
• Poor system adherence.
• Little focus on day-to-day operational cost.
• Low levels of productivity of off-shore personnel.
• Little/no workload planning of personnel.
• Opportunities to reduce supply costs.
• Opportunities to reduce personnel logistics costs.

Based on these findings and a commitment by Renoir to deliver at least $2M in benefits, an agreement was reached to carry out a 12 month Project both on & off shore, to design, develop and install new management control systems that would increase personnel utilisation offshore, and improve the entire maintenance system.

PROJECT APPROACH
A 25 week Focus Process® was planned to identify, confirm and demonstrate to the individual crews, the level of opportunity available, while at the same time, developing the necessary system elements to ensure improvements.

During the Focus Process®, a number of system elements were developed:

• Installation of a rolling four week look-ahead plan.
• Weekly workload plan for each craft.
• Daily workload plan for each craft.
• Daily schedule control.
• Monthly Dashboard (Rig Comparison).

The Project was set up with two teams; one focused on realizing the opportunities that were identified through an improved supply chain process and the second team focused on installing the management control system offshore.

“Renoir has been a catalyst and driven the changes that have taken place.”

Sector Manager

Key Results
Leadership competency levels from 35% to 77%
Projected PMO savings of $46.5 million
Undocumented charges were reduced by 25% and unapproved non-scope charges have a target reduction of 60%
The benefits delivered by each team included:

**Supply Chain Management Action Team**
- Improved personnel logistics booking process.
- Restructured logistics layout.
- Restructured offshore warehouse personnel staffing.
- Price benchmarking within the purchasing network.

**Maintenance Management Action Team**
- Improved control of corrective work.
- Improved control of the workday & daily planning structure.
- Improved recording of equipment history.
- Improved maintenance personnel utilisation.
- Improved supervision; reinforcing safety & efficiency.
- Achieved consistency throughout the crews.
- Balanced PM workload.
- Increased planning window to four weeks.

Senior management was updated in the Steering Committee meeting every two weeks and this information was used to give managerial guidance to the teams and remove any obstacles in achieving the final goals.

**RESULTS**

In addition to previously stated goals and financial benefits delivered, a key Project objective was to achieve sustainable cultural and behavioural change within the business. As verified by Renoir's Situational Audit process, this was achieved and was made possible by developing trust at all levels of the organization, demonstration of ongoing benefits from the system, creating understanding of the required changes and process of root cause analysis, and reinforcing on-the-job coaching.

Upon completion of the system installation on two of the rigs, Renoir was engaged for an additional 12 months to install the developed system on the final three rigs within the region.

The overall result of both projects was a return on investment of greater than 2:1. productivity performances.