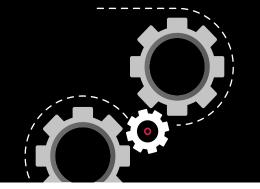
cprime

Case Study
The Evolution of an Agile
Energy Industry Leader



The Evolution of an Agile Energy Industry Leader

Company Details

Industry: Energy

Company Size: Over 40,000 employees

At a Glance

- Cprime delivered a blend of hands-on training, executive consulting and long-term coaching.
- The energy industry leader successfully adopted scaling Agile and Lean Portfolio management practices.
- Cprime helped resolve many challenges over the past six years, such as economic pressure, oil and gas field turna ounds, price of oil, and more.

In a long and ever-changing engagement, Cprime consultants have been able to watch this vast, international enterprise evolve to be one of the most Agile, productive entities in the competitive energy landscape.

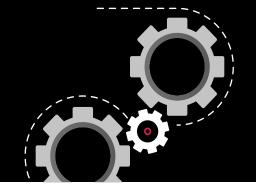
Overview

With a rich history going back well over a century, this international oil company employs over 40,000 people worldwide and operates thousands of upstream and downstream operations across the petroleum supply chain.

For many reasons, change has wracked the petroleum industry over the past several decades. This company has certainly not been immune to the effects of fluctuating oil prices, rapid technological and environmental changes, and most recently, the pandemic and its various impacts worldwide. However, relying on a long history of innovation and resilience, they set out in 2015 to improve internal processes to create efficiencies and reallocate necessary resources.

They're still on that journey today, and Cprime has been there every step of the way.





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The Challenges

Over the nearly six years we've been working with this organization, they've faced many challenges. In roughly chronological order, here are some of the biggest challenges we helped them address.

Sheer Size

As a large, international corporation, the company had grown organically for decades. A long string of mergers and acquisitions combined with rapid changes in industry circumstances created a widespread development organization across several continents and time zones that was split up into dozens of business units, each serving as its own silo. Bureaucracy and red tape were thick and stubborn, and the company would have to overcome a lot of inertia to unite their teams and fully embrace agility.

Economic Pressure

Between a recession and its long, slow recovery, the company had experienced a tremendous loss in gross profit. Workforce reductions and countless other adjustments were necessary during this period. And, while the desire to eventually save time and money through efficiency was a significant driver behind the transformation they sought, it also served as a looming challenge that internal champions of change continually faced: were the potential future gains worth the current cost in terms of time and money?

Oil & Gas Field Turnarounds

A factor that's unique to the oil and gas industry is what's called, "turnarounds." This refers to the scheduled shutdown of a facility for scheduled maintenance, inspections, and upgrades. It usually occurs every few years and lasts several weeks. During the turnaround period, they pump and refine no oil. And, the cost of replacing or upgrading all that equipment is high. So, they measure the direct and indirect cost of a turnaround in the hundreds of millions of dollars for the largest facilities.

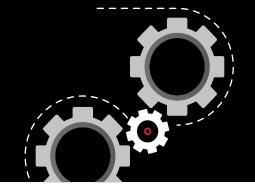
The company wanted to apply Agile practices to their turnaround process to streamline and boost quality, therefore saving time and money every time.

Price of a Barrel of Oil

Another factor unique to the oil and gas industry is that the most critical factor in their overall revenue and profit is largely out of their control: the per-barrel price of crude oil. Where other sectors need to consider "concept to cash," oil companies are more concerned with "wells to wheels" — how to get the oil out of the ground, refined, transported, and sold to consumers, all at a price that's controlled mainly by outside influences.

Once again, the company knew that efficiency and streamlined operations were vital to overcoming this challenge.





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The Solution

We have worked with this client for nearly six years thus far, so the solution has evolved and expanded along the way.

Training

This company approached Cprime back in 2015, initially requesting an Introduction to Agile training class for about 250 members of the Project Management Organization (PMO). Around the same time, one stakeholder began work on a project to move the organization from physical to virtual servers in the cloud. They decided to start applying what they learned in this introductory class almost immediately on that server project.

As our relationship with the client has evolved, we've provided many additional training classes, some customized to the client. But, much of the training occurring these days is handled by internal coaches and trainers we have enabled, making the continued scaling of this practice more sustainable over the long term for the organization.

Scaling

It's common for Agile success to begin with one or two teams and spread outward as more teams adopt the practice while seeing their peers' success. The same occurred in this organization, but much faster than usual. Not long after completing that initial class, they saw the need for a formal scaling framework that would support the expansion that was already happening across teams and upwards into the organization. They reached out to Cprime again for guidance on choosing the proper framework and, after much discussion, settled on the Scaled Agile Framework (SAFe®), which we helped them implement.

Coaching

As the organization began scaling the Agile practice, they saw the need for ongoing assistance at the team and program level, so they invited Cprime coaches to come in and assist. Within a short time, we had coaches helping teams learn and apply what they were learning at the scale of twenty teams-of-teams.

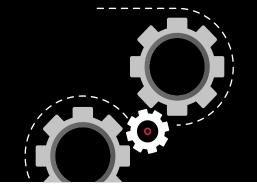
Over time, the coaching piece has proved the longest-standing aspect of our work with this client.

Tech and Business Transformation

One of the significant changes they had to make — starting before our initial engagement but continuing with our input where needed — was a combined technological and operational transformation to eliminate the silos formed by countless business units.

They undertook value stream mapping and business capability mapping and then used these efforts to establish 13 "platforms". Each of these platforms combines essential IT and business functions to support one or more related value streams. According to one executive stakeholder in the company, this represents "an entirely new way of doing business."





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The Solution, cont.

This collaborative approach encompasses many individuals, all of whom are on board and benefiting from the transformation efforts. Each of the 13 platforms includes between 100 and 400 people.

Today, 30 Cprime coaches are embedded within each of these 13 platforms to continue aiding the evolution of their Agile practice along each value stream. At one point, we had 40 coaches and ten scrum masters working with this client simultaneously worldwide.

Lean Portfolio Management (LPM)

Most recently, as the Agile practice has continued to scale, it's become apparent there are bottlenecks at the portfolio level that are hindering the company's progress toward its agility goals. So, we've begun helping them implement LPM as part of their scaled Agile practice. This is an ongoing process, but even initial results are impressive.

The Results

Today, business leaders and IT leaders work collaboratively within these platforms down to business product owners — which are process owners within their business domain. And, it's working. The company saves tremendous amounts of time and money as they fully embrace Agile principles as part of their new approach to the work.

We've heard many versions of the same basic feedback from people at all levels of the organization: "I'm never going back to the way we did this before."

And, perhaps the greatest testament to the success we've seen with this client is the fact that we've worked with them continually for nearly six years now. Through all this internal change, all the external ebb and fl w of the oil and gas industry, and through the upheavals caused by a global pandemic, they still rely on Cprime to help make their organization leaner, faster, and stronger.

If you'd like to see similar results for your organization, explore our flexible range of scaled Agile solutions.

About Cprime

Cprime is an industry-leading, full-service global consulting firm with a focus on providing integrated and innovative solutions around digital transformation, product, cloud, and technology. With over 20 years' experience, we provide strategic and technical expertise to businesses across more than 50 industries. Our team of advisors and technical experts have the know-how to meet organizations where they are to develop actionable solutions and solve business challenges. We also collaborate with our expansive network of partners to design, deploy, and harmonize technology stacks across organizations. Our mission is to empower visionary business leaders and teams to reimagine the future of work to achieve better outcomes.

