

Asset Teams: Implementation and Evolution; Results from an Industry-Wide Survey

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Industry observers have noted a trend which is impacting the fundamental methods by which oil and gas companies conduct business and which may well change the basic business model for the petroleum industry. The trend results from the growing implementation of asset team strategies which, when combined with downsizing and distribution of responsibility to smaller business units, seems to be leveeing new requirements on both the personnel and the technology of oil and gas. Many, if not most, companies have either tested or have moved to some type of multidisciplinary approach to E&P, and this mode of operations seems to be spreading and becoming the norm.

It is important to the understanding of changes in the industry that common definitions, metrics, and terminology be derived and that common shared experience be made available to address common problems and to help to implement effective solutions. Of course, this must be done without exposure of proprietary details, business advantages, or other sensitive data. Pohlman International has been requested to conduct comprehensive, unbiased, and non-threatening surveys among oil and gas companies around the world to help to define and to gain consensus on emerging trends and how the changes they bring about will be dealt with. There is certainly enough data available on asset teams to help to define industry norms and standard practices and to establish a baseline of shared experience and results

The study addresses three separate segments of the asset team issue:

1. Define Current Practices, establish norms
2. Elicit Observed results and effects, both good and bad, establish metrics
3. Determine industry "best practices"; extrapolate current practices and results into trends for business planning, presenting conclusions and solutions where possible.

Through interviews with oil and gas companies and with the vendors and developers of software which is designed to address the needs of the asset team, this survey has addressed questions such as: how does the group dynamic differ from the traditional definition of lines of responsibility for AFEs, for purchase decisions, for decision making at other levels? What adaptations are been proven to be necessary to effectively employ teams, how far have they evolved into the division or office structure, and what remains to be dealt with or solved? What do teams mean for the structure of software licensing? Are new software systems in the areas of command and control or business applications now required to support team-based decision making? There is certainly enough data available to help to define industry norms and standard practices and to establish a baseline of shared experience and results.

Some companies have implemented innovative solutions to the asset team issue and the increased demands it places on both products and personnel. Several companies have looked outside to partnerships with service companies to provide the necessary tools to operate effectively. Software developers are reassessing their offerings to meet the new demands of the team-based office and the challenges it represents.

The shared experience of the companies who have implemented team-based strategies and who have dealt with the issues first hand can be of great potential benefit to the industry at large as it moves into a new era.