

BP Trinidad & Tobago

“Terminal Transformation”—Engaging people to energize a key facility

A thirty-year-old facility required step-change improvements in reliability, performance and morale. Employees were not always collaborating in an effective manner, and organisational issues often prevented efficient execution of business plans. The facility and the people that made it work required revitalizing through improved systems, processes and leadership skills.

In 2003, the executives responsible for BP Trinidad & Tobago’s terminal at Galeota Point recognised the need to make improvements at the facility, which processes and separates the oil, water and natural gas pumped from several offshore production platforms. While the facility was meeting its fundamental purpose, many unhelpful behaviours limited its potential.

The terminal faced challenges stemming from a variety of organisational issues. Conflicts existed between permanent employees and contract workers, and divisions also formed between Amoco and BP heritage staff after their 1998 merger. The goal was to bring the terminal’s culture into alignment with their aspirational values statement, which call for “treating everyone with respect and dignity, striving for mutual advantage and contributing to human progress.”



Using its *Enlightened Transformation™* framework, Evolve helped BP achieve substantial improvement in operational performance by creating a workplace where people from different cultures came to work together to work effectively as teams. With 400 people on-site (including contractors) and daily throughput of 70,000 barrels of liquid and output of 40,000 barrels of oil, the terminal represents a key asset for BPTT.

The challenge

The need for improvement at BP Trinidad & Tobago’s terminal on the southeast tip of Trinidad at Galeota Point became clear after BPTT raised performance expectations around safety, production, productivity, environmental impact, and employee satisfaction. In broadest terms, these higher standards called for improvements in three main areas: physical plant, processes, and people.

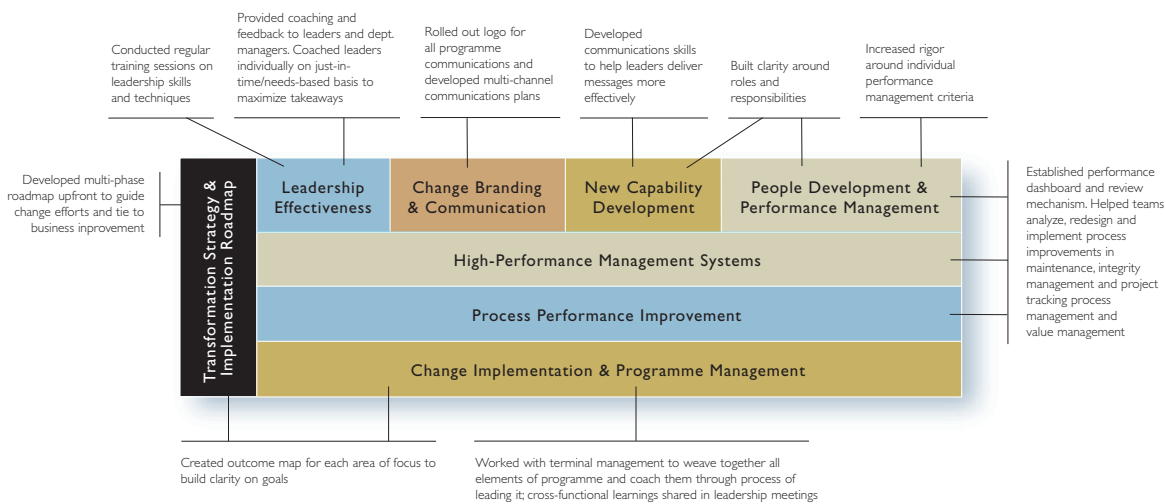
Physical plant issues centred on the integrity of pipelines, vessels and valves, some of which were more than 30 years old. Process issues included the need to reduce environmental impact through effluent quality, as well as cost management, operations and maintenance. In addition to process design, contractor management, and cost management issues, areas for improvement in the people arena included communication, accountability, employee teamwork, and performance management. As experts in change management and helping companies maximise the effectiveness of their people, Evolve was engaged to help BP address the people issues, increase capability, resolve the physical plant and process issues.



Aligning goals and laying the foundation

In autumn 2003, Evolve worked with the terminal’s management to define the scope of the engagement, train and develop an internal programme team and craft a vision for improvement. Over a nine-week period, Evolve developed a programme team made up of BPTT employees and contractors to identify areas to be addressed and to gather data to establish the current-state performance baselines against which improvements would be measured. Key stakeholders from the management ranks came to understand the need for change and join in the effort. A change programme was created and branded under the tagline “Terminal Transformation: The Gateway to Our Success.”

Use of Enlightened Transformation™ framework to help transform BP’s terminal



Setting the sign posts on the course towards improvement

After assessing the terminal’s current state, the programme team developed a multi-phase approach, with the understanding that lasting change would take time to implement.

Phase I of the project, which was all about putting the basics in place, was undertaken in 2004 through a variety of workstreams, including operations and process control, management systems, and leadership development. Phase II, which focused on delivering a step change performance improvement, was embarked upon the next year, with a significant emphasis on putting behaviours in line with key results and moving towards overall performance improvement.



Organisational Space™

Building the business case

The programme team developed a detailed understanding of the processes that needed to be improved in order to move toward operational excellence. With Evolve’s support, the team analysed all aspects of the business through Evolve’s Organisational Space™ model, conducting root-cause and impact assessments to begin the process of developing ambitious yet achievable targets and detailed plans of how they would come to be achieved.



Defining required behaviours

Improving relations across the workforce while developing a performance culture would require new management and leadership skills. In simplest terms, improved behaviours would drive improved business results.

Evolve introduced a number of tools and techniques geared towards improving the way in which people worked with one another and to clarify the linkage between individual actions and the terminal's performance. Among the techniques introduced were tools to clarify roles and responsibilities, coaching on how to give effective feedback, how and when to use leadership models, and workshops on how to build high-performing teams.

Delivering process performance improvement

After more than three decades in service, many of the terminal's pipelines, structures, and equipment were a cause for concern. The cross-functional team set up to address these problems included people from maintenance, construction, inspection, engineering, and operations. The team developed a database and prioritisation process that identified, planned and tracked progress of critical integrity work, and also created standards and a quality assurance process.

Plant integrity, maintenance management processes at the terminal were also addressed. Organisational changes were made to improve the maintenance planning process and improve the productivity of maintenance technicians. One example is Maximo, the terminal's maintenance management system, which helped track maintenance performance more accurately and improved communication between the operations and maintenance departments.

Processes around shipping operations were also improved. Equipment repairs and upgrades helped reduce the percentage of impurities in the outgoing oil, but more important were the process improvements that helped cut the average amount of water contained in the shipped oil by half. Similarly, the terminal was incurring commercial penalties due to demurrage, whereby tankers spent excessive time taking on their cargos. The programme team helped to design and implement pre-lift planning meetings to ensure that the terminal was fully prepared for each lift (shipment of crude), and post-lift review meetings were instituted to discuss successes, review any failures and make improvements to the way they work.



“For me, Evolve reaffirmed the need for people to have a purpose and to align individuals with the team. It takes more than a great process to get results; it takes people who are switched on and who see the difference they can make.”

Bob Fryar, BPTT Operations Performance Unit Leader

Another team focused on the cost aspect of terminal management, specifically the process by which the capital expenditure budget was managed and tracked for performance. The volume of projects that needed to be executed concurrently created prioritisation problems due to limited resources. In order to bring clarity to prioritisation decisions, the team created and deployed a risk matrix that took into account key factors such as safety, cost, production and reliability as well as alignment to the terminal's long-term growth plan.



“Working with a team of dynamic people toward a set goal leads to success. I have learned that change brings fear, but not changing can be more scary.”

Kizzie Perez, Communications Team

Results

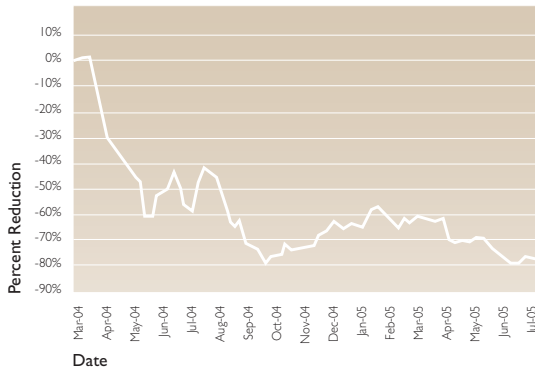
The Terminal Transformation programme brought substantial performance improvements through improved efficiency and reduced costs. The improvement in cargo quality and reduction in demurrage are collectively saving BP \$5 USD million annually. The capital expenditure team achieved substantial savings by achieving more than a fivefold improvement in the unplanned cost ratio (the ratio of money spent on unplanned projects versus the amount spent on planned projects, expressed as a percentage), which was reduced from more than 100% to less than 20%.

Employee surveys, conducted twice a year, showed an increase in morale at the terminal throughout the transformation project due to improved relations between management and workers, clarity around performance measurement, and better processes.

More importantly, many of the people who manage and operate the terminal have undergone a behavioural transformation. Accountability for and ownership of results has been driven deep into the organisation. Line operators and technicians confidently take the initiative to solve problems on the front line at the areas of impact rather than waiting for someone further down the line to address them. Skills have been transferred across all shifts, making for consistent operations around the clock. These positive attitudes and behaviors represent a significant cultural change for the facility.

Improving the terminal’s impact on the local environment was a critical result of this process. Each day, the terminal processes 70,000 barrels of an oil, sand and water mixture received from the production platforms, returning the equivalent of some 30,000 barrels of water back to the ocean. New processes helped to ensure that the terminal released the absolute minimum of oil, with the goal of returning the cleanest water possible to the environment.

Reduction in Water
Four week rolling average



“The programme provided a framework that enabled us to understand key issues and to confront them.”

Andre Celestain, Onshore Manager

Evolve provided guidance, coaching and training, but the people at the BPTT Terminal did much of the work, and through this process learned how to implement change in the organization. This allowed Evolve to phase out of the programme confident that the people who drove Terminal Transformation could themselves apply their new skills and understanding to work towards achieving true world-class results.



Evolve UK

22-23 Old Burlington Street
London W1S 2JJ
t: +44 (0)20 7494 2429
f: +44 (0)20 7434 9031
e: infoUK@evolve.cc

Evolve US

5100 Westheimer
Suite 200
Houston, TX 77056
t: +1 713 968 6585
f: +1 713 629 6008
e: infoUS@evolve.cc

Evolve Trinidad & Tobago

9th Floor Albion Plaza
22-24 Victoria Avenue
Port of Spain, Trinidad & Tobago
t: +1 (868) 623 1060
f: +1 (868) 623 3922
e: infoTT@evolve.cc