

Abstract: Many of us have heard that “what gets measured gets improved”, but do you ever feel like you are faced with a growing list of insignificant metrics, or worse yet, no metrics at all for performance management? This interactive session will allow you to work through a proven methodology for creating meaningful metrics across the entire petroleum value chain in a fictional team environment with a very real time crunch. The results will be shared and can be deployed and adapted to suit your organization or teams’ needs.

Harness Insights that are directly aligned to your strategy

Performance Leaders align strategy and execution across the organization by translating strategic objectives into value drivers and value drivers into KPIs

You need to answer the following questions:

What do we really have to excel at to reach our strategic objectives?

How do we know if we are actually excelling at this?

STRATEGIC OBJECTIVES

Specific goals that will support the overall strategy

VALUE DRIVERS

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Measurable factors that impact strategy execution and create value

KPI

KPI

KPI

KPI

Measurement of success in realising the strategy

Leading Practice on Value Drivers & KPIs

Strategic Objectives mapped to Value drivers will tell the story of an organization's strategy

Value Drivers should be smart and critical for success and defined in the context of an organization's strategy

It is important to ensure there is coverage across each of the business drivers and performance levers including external, internal, process and results thus creating a 'balanced' set of KPIs

KPIs must be specific, measurable, achievable, relevant, time-bound (SMART), valid, simple and controllable

The organizational structure is guiding for KPI breakdown

KPIs must be structured in a logical breakdown structure, and should consolidate upwards

7

- 1) Set up exercise: 10 minutes
- 2) Team set-up: Everyone looks at their assigned teams. If teams need specific expertise, they can ask for someone to move to their table. (5 minutes)

You are a subsurface team charged with finding new locations in an existing unconventional play.
You are a drilling team focused on drilling horizontal wells in an unconventional field.
You are a completions team tasked with completing horizontal wells in an unconventional field.
You are a new ventures team charged with finding the next area where your company will invest.
You are a production team looking at ways to optimize unconventional production.
You are a project team charged with building a new gas processing plant.
You are a facilities team operating a series of existing assets.
You are a safety team for a company with a field office of ~100 people.
You lead EDI (equity, diversity and inclusion) for your organization.

You are part of the sustainability team and need to report on GHG emissions.
You are running an analytics team that exists to service other business and service units.
You are running an enterprise wide upskilling program.
Your team is in a location where the competition for talent is intense.
Your team is responsible for fleet vehicles.
You run an environmental team.
You run a process optimization team.
You run a maintenance team responsible for asset equipment maintenance.
You run a reliability team responsible for asset performance.
You run a production measurement team responsible for accurate and regulatory compliant production measurement.
You run an operations team and are responsible for meeting production targets in a safe and cost effective way.

- 3) 10 minutes: Define what your strategic objective is. Report into Poll EV or on a shared google sheet?
- 4) 10 minutes: What are the value drivers?
- 5) 15 minutes: What KPIs can track these? Who is the audience for these KPIs (strategic, operational, tactical)? Are they LEADING or LAGGING? Who owns the KPI?
- 6) Discussion on barriers that get in the way of being able to generate these KPIs? (Data management, data collection, data quality, data accessibility, infrastructure issues, organizational structure, etc)?
- 7) Exercise on their own: what's one metric that if you started measuring today could improve your team's performance?

Everyone gets a report back out on what they contributed to.