powerful thinking

value protection: case study

in FEED and beyond we will work with you to protect value

situation

At io we believe a key issue with cost and scope growth during FEED is that the holistic (whole system) impact of small cost benefit changes are not understood until the end of FEED. We call this “death by a thousand cuts” or “creeping normalisation”.

value driver

By providing continuous assurance based on our holistic methods, we can help protect the project from cost overrun and schedule delay.

result

By recognising the nature of “creeping normalisation” we help prevent the project from entering a major recycle and help protect the project team’s reputation with key stakeholders. With io at your side there is greater certainty that your project will be sanctioned.

io approach — we bring holistic “check-in” throughout FEED

- during FEED many good ideas arise through stand-alone cost benefit analyses
- the holistic impact of these changes are not understood until the AACE Class III estimate is produced at the backend of FEED
- we apply concept screening level methods to determine, at suitable check-in points, the system wide impacts of these small changes
- by including io as part of your client team we will help ensure the decisions and compromises made during concept selection are understood and protected through FEED and beyond

powerful thinking

value protection capability

io work as a client advisor for value protection through higher quality decisions

We work with clients to identify the project value drivers and then collaboratively with all parties to ensure the project stays true to its goals, protecting value.

value drivers

- collaborative workshops with client to identify project value drivers and how they relate to requirements
- prioritisation using Analytic Hierarchy Process (AHP)
- requirements modelling to flow value drivers throughout project

planned decisions

- working with client stage gate process, or designing robust governance process to ensure rigorous assessment of project's readiness to move to next stage
- Decision Quality (DQ) framework used to remove cognitive bias from decision process

unplanned decisions

- holistic assessment of proposed changes to cumulative devaluation
- systems thinking to understand how unexpected/proposed changes impact project
- systems modelling to dynamically assess the impact of changes
- DQ framework to ensure high quality decisions are taken

risk and uncertainty

- quantitative evaluation of risks to the project, and risk impact of potential changes, using bespoke risk evaluation tools: sensitivity analysis, Monte Carlo simulation and Real Option analysis

Why not get in touch to find out more about how the io way can add value to your business by delivering greater certainty and higher decision quality.

There are lots of ways to connect with us:

Drop us an email to hello@iooilandgas.com

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