



BOSTON STRATEGIES INTERNATIONAL
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Creating global growth opportunities through strategic supply chain management in the oil and gas industries.

Oil and Gas Supply Chain Management Seminar



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Workshop Objectives

Boston Strategies International seminars will prepare you to deal with *strategic supply chain challenges* such as *constrained capacity and infrastructure* and *volatile markets*. You will also learn how to make *right decisions* about *which markets to buy from, how to determine the right price to pay, and which benchmarks and targets will provide a competitive edge*. The workshop is designed to:

- Identify high-value supply chain management techniques for capital equipment and critical spares. It addresses offshore and onshore equipment and services related to high-value capital equipment spares (for example, marine services, drilling tools, turbines and parts, generator sets, motors, and high-value electrical equipment).
- Provide case studies and success stories that demonstrate best practice application of supply chain management techniques in this environment.

Option 1, Part 1: STRATEGIC SUPPLY CHAIN MANAGEMENT

Welcome Reception and Continental Breakfast

WHAT EXACTLY IS SUPPLY CHAIN MANAGEMENT? • Essential Definitions • Recent Development of Supply Chain Management Thought: 1990-2012 • Why Software Can't Solve the Problem • The Key Principles of Supply Chain Management • An Executive's Supply Chain Strategy Framework

THE OIL AND GAS SUPPLY CHAIN • The Early Days • 1960s: Optimization • 1970s: Technology • 1980s-1990s: Globalization • 2000s: Power Shift • Leaders and Laggards

WHY SUPPLY CHAIN MANAGEMENT IS CRITICAL FOR THE OIL AND GAS INDUSTRY TODAY • A Competitive Necessity • Getting More Important • The Bullwhip Problem

Coffee Break

THE GOAL • From No Metrics to Too Many Metrics • Economic Value Added(EVA) • Level 1 (CFO-Oriented) Results Metrics • Level 2 (Functional VP-Oriented) Results Metrics • Channel Spanning Performance Measures

WHAT MAKES SUPPLY CHAIN MANAGEMENT STRATEGIC • Defining the Four Generic Supply Chain Strategies • Configuration • Coordination • Improvement • Supply Chain Strategies for Global and Regional Economic Growth • Supply Chain Network Design

Lunch

Register Your Entire Team

To register, please contact David Jacoby at djacoby@bostonstrategies.com. Or you can Fax +1 (339) 686-3114, or call at +1 (781) 263-7218 to book a reservation.

Option 1, Part 2: SUPPLIER PARTNERING

OUTSOURCING • Which Activities to Outsource and Which to Keep In-house • Examples such as Freight Forwarding, Expediting, and More • Unbundling Transport from The Product Price – Why and How • Terms of Freight

COMBINED PURCHASE AND OPERATING/MAINTENANCE AGREEMENTS • Economies of Scope (multiple products or services from the same provider) • Economies of Scale • Computing an ROI • Go-No-Go decisions • Operating Leases • Maintenance Contracts • Term of Agreement • Clauses and Conditions • “Out” Clauses and Exit Strategies

ARCHITECTING SUPPLIER PARTNERSHIPS • Ownership of the Inventory • Provisioning of Spares • Examples: Vessels, Marine Logistics, Pipeline Repair Services, and More • Rules of Engagement with “Sister” Companies • Transfer Prices • Bidding Rules and Exceptions • Whether a Higher Price is Justifiable for a Sister Company

Coffee Break

STRATEGIC SOURCING • A Proven Process Map • Spend Analysis • Supply Market Analysis • Category Strategies • Standardization and Simplification of Specifications • Managing Sourcing Events • VMI • Examples: Freight Forwarding, Expediting, and More

NEGOTIATION AND PARTNERSHIPS • Forming Partnerships • Buyer vs. Supplier Leverage: Power Plays • Open Book Negotiations • Acceptable Substitutes (e.g., Refurbishment) • Dealing with Core vs. Non-Core Suppliers • Target Pricing • How to Use Market Intelligence • Indexing Prices • Setting Price Premiums for Customized and Expedited Services

SUPPLIER IMPROVEMENT PROGRAMS • Lean (Waste Reduction) • Optimizing Interfaces with Customers and Suppliers • Expectations and Standards for Customers and Suppliers • Consignment and VMI



Option 2, Part 1: WORLD-CLASS PRODUCTION AND INVENTORY CONTROL PRACTICES

Continental Breakfast

CAPACITY PLANNING • Site Location • Flexible Capacity Models

THROUGHPUT ANALYSIS • Theory of Constraints • Assessing Facility Capacity • Measuring Capacity Utilization • Bottleneck Elimination Procedures • Involving the Work Force

JUST-IN-TIME • Replenishment Mechanisms • Kanban • Integrating S&OP with JIT • Managing Long Supply Chains in a JIT Environment • Batch Pull • Kitting • Raw Materials, WIP, and Finished Goods Order Quantities

OPTIMAL INVENTORY LEVELS AND PLACEMENT • Managing the Interfaces Between Departments such as Maintenance, Assets, Commercial, Inventory, Purchasing, Stores, Logistics, and Inspection • Who Owns the Inventory

SALES AND OPERATIONS PLANNING • Managing the Interfaces Between Departments such as Maintenance, Assets, Commercial

COLLABORATIVE INVENTORY MANAGEMENT • Multi-Echelon Inventory Planning Processes • A Process for Building Trust • Changing the Forecast and the Plan • Information Systems and Support Tools

DEMAND PLANNING • Heuristic Methods • Moving Averages • Exponential Smoothing • Trend Analysis • Econometric Models • Delphi Method • Multi-Characteristic Approaches

WAREHOUSING, STOREROOM AND TRANSPORTATION OPTIMIZATION • Storeroom Management • Working With carriers and logistics providers • Mode Selection • On-Dock Operations • Customs Clearance • Landed Cost

Coffee Break

INFORMATION SYSTEMS • Company Wide Interoperability between ERP and Supply Chain Systems • CAD/CAM • Network Design • SRM • Demand Planning • WMS • CRM • Cost and Pricing • E-Commerce • Best Practices in RFID and Barcodes • IT/EDI/Paperless

MANAGING TECHNOLOGY IMPLEMENTATIONS • Managing Multiple Opco's Each on Different Systems • Adjusting Reorder Quantities as Demand Changes • Tools and Approaches Toward Updating Lead Times and Prices in SCM Systems

Buffet Lunch

Option 2, Part 2: ACCOUNTING & PERFORMANCE MANAGEMENT

FINANCE AND ACCOUNTING • Key Process Metrics • Additional Detailed Process Metrics • How Much Influence Should End-Users Have on the Vendor Performance Scorecard • How much Weight Price Should Have in the Overall Evaluation • Best-in-Class Processes for Technical vs. Commercial Evaluation of Bids • Structuring the Bid Process to Identify and Foster Creativity, Innovation, New Ideas and New Technologies

RISK MANAGEMENT • Supply Chain Risk Factors • 7 Steps to Mitigate Risk • Examples of Good and Bad Risks • Supply Chain Security • Governmental Regulations and Compliance

CONTINUOUS INNOVATION • Key Success Factors of an Innovation-Driven Supply Chain Strategy • ROI Assessment of Innovation • Performance Advantages of an Innovation Supply Chain Strategy • Oil and Gas Supply Chain Best Practice and Benchmark • Supplier Specific Benchmarks • Technical and Commercial Evaluation • Channel Performance Measures • Vendor performance scorecard • Continuous Market Feedback Loop At Customer Touch-Points • Early Supplier Involvement • Early Customer Involvement

SUPPLY MARKET INTELLIGENCE • Making the Business Case for a Market Intelligence Program • Negotiating with Suppliers Based on External Information • Monitoring Demand and Supply Conditions • Negotiating with Suppliers Based on External Information • Monitoring Core Suppliers' Performance

ORGANIZING, TRAINING, AND DEVELOPING SCM STAFF • Cross-functional project management • Change management • Training • Inter-organizational psychology

BENCHMARKING TOWARD BEST PRACTICE AND PERFORMANCE • Where to Get Competitive Benchmarks • Where to Get Supplier-Specific Benchmarks • Setting and Adjusting Targets

Closing Reception

The Best Way to Train Your Entire Team

Boston Strategies International seminars are specially designed for your company, and presented at your facility worldwide. Seminar time: First Day: 8:15 am registration; Seminar, 8:30 am to 5:30 pm.

To register, please contact David Jacoby at djacoby@bostonstrategies.com, or Fax +1 (339) 686-3114, or call at +1 (617) 593-2620.