

Project management in deep water

Minor errors can have major consequences when Vetco takes on big, complex projects in the oil and gas sector. "Quality project management is absolutely crucial if we are to achieve the main goals for a project: delivery on time and at the agreed price and quality. And that also keeps business profitable for the company," says Gunnar Brustad-Nilsen, head of projects at Vetco Gray, and one of Norway's most experienced project management professionals.

Brustad-Nilsen started working with Metier in 1998, when Vetco was still part of ABB Offshore Technology. The different ABB companies had gradually started moving away from manufacturing and towards more project-oriented work, and this created a need for internal project management training. "As a key player in the field, Metier could provide best practices in project management – regardless of the particular industry," Brustad-Nilsen explains. "But we also wanted to influence the programme. We wanted the courses to reflect the business we're in and the different processes and routines we use."

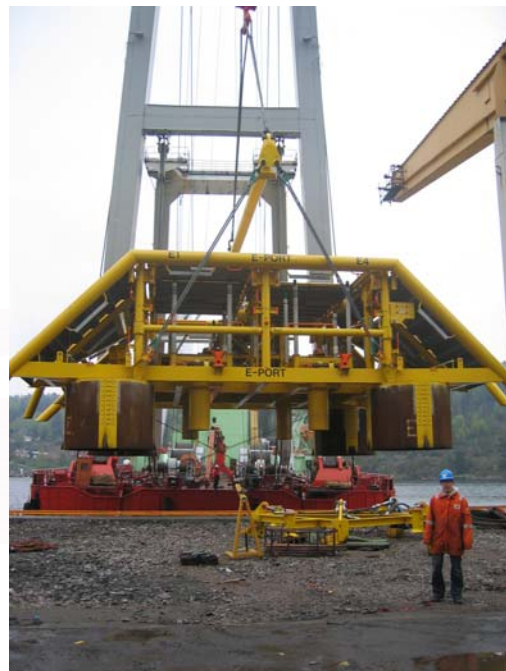
"A course has to focus on the company's core business," adds Halvard Kilde, managing director at Metier. He was involved in developing the training programme that Metier adapted to meet ABB's needs. Since then, the programme has been developed further and tailored to suit Vetco's project activities.

Making a career of project management

Vetco can look back on many years' experience as a major international supplier to the oil and gas sector. If, that is, the company has time to look back at all. The oil industry is booming today, and businesses everywhere are on the lookout for qualified employees. So it's very important to be an attractive employer. Kilde is convinced that the companies that really take employee career development seriously will be the ones to win in the long term.

"It's important to hold on to competent project managers, and if you want to do that, you have to make project management a career. An important part of this is to offer employees supplemental training via a competency development programme that gives them academic credits and results in certification"

Brustad-Nilsen nods in agreement. "This gives employees something to strive for, and the certification is a good means of measuring competency levels in the company," he adds.



E-learning – perfect for busy people on the move

Despite their busy days, more than 1,000 Vetco and ABB employees have taken time to participate in the company's project management training programme since 1998. Metier has developed a special Vetco portal, where employees can log on and complete course modules when it suits them.

"E-learning is exceptionally cost-effective. About 75 per cent of the time people spend on e-learning is spent outside core hours," Kilde explains. "For a company like Vetco, it's not the course that costs the most. It's the time that employees spend away from production," he adds.

Metier first introduced e-Learning at ABB in 2001. At that time, 80 per cent of all training at the company involved classroom instruction, and only 20 per cent was e-learning. Today that figure has been reversed. "It means a great deal that our employees can take the course at their own workstations," Brustad-Nilsen says. "And it's very interesting that test results have improved as the share of e-learning has increased," Kilde adds.

Shared terminology – shared understanding

With more than 9,000 employees in over 30 countries, providing classroom training for everyone would be too expensive and time-consuming. And e-learning not only gives employees training in project management, it also gives them valuable experience in working virtually and collaborating across borders. "It's important to us to make sure that all projects around the world are carried out in accordance with the same principles. This allows Vetco's production units, which are located mainly in Norway and the UK, to take better advantage of economies of scale. We can't have a Houston project and a Perth project. It has to be a Vetco project," Brustad-Nilsen emphasises, and continues, "We have to make sure that our project managers and the project team all speak the same language and share a common understanding of how we carry out our projects."

Document your competence

Brustad-Nilsen and Kilde – who are both experienced project managers – emphasise the importance of continually transferring experience and knowledge of best practices from project to project. This ensures that all projects benefit from knowledge of what works and what doesn't. On Vetco's project portal, project managers and project team members can share their experience and find information that's useful in their own projects.

"It's like a cook book. The project manager finds a recipe for how he or she should work, and then just gets started. It's really that easy." Brustad-Nilsen almost makes us forget that most of Vetco's projects involve extremely complex installations, whether these are large topsides or at the bottom of the ocean.

"Government authorities and customers are placing increasingly tough demands on suppliers to the oil and gas sector. If you want to work with the major players, you have to be able to



Gunnar Brustad-Nilsen, head of projects at Vetco Gray

document that you have formal project management competence, that you have certified project managers, and that your teams follow clearly defined project procedures. Nowadays, you have to be able to document all of this."

What makes one project better than another?

Brustad-Nilsen and Kilde certainly agree on the importance of carrying out projects skilfully in today's market. But what is it that makes one project better than another? That it's completed on time, or that it's profitable? "That it's been run professionally," Kilde answers without hesitation. "You treat your customers better because you communicate more clearly and you know what they expect of you as their supplier. You manage changes better. And you communicate better with the customer about business aspects – about the sharing of risks and about what the contract should cover." Brustad-Nilsen adds, "And your customers are satisfied, because they can see that you deliver on time and within the budget. And that means better profits. One last important point is that we get a lot of motivated employees who aren't worn out after an all-out effort. Employees who find their work exciting, and who can see they've really accomplished something. Not just that they've helped deliver a job, but that they've contributed input on best practices, and that this will help benefit future projects. That is very rewarding," he concludes.