Leadership in Tough Times

Productivity Performance Transformation

Ron Genereux,
Vice President, Productivity & Construction, Major Projects

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Oil sands region productivity factor from 2001 to 2013

Source: COAA/Industry data of project performance in Northern Alberta

Worsening productivity practices caused a significant decline in productivity
Since the 1982 COAA sponsored “Revay Report” on productivity, the trend has historically been to focus on field work, or small “p” productivity.

Project sponsors are now realizing that the larger prize resides in project management, or big “P” productivity.

Do you remember Ed Marrow’s presentation at this very conference last year?

If so then what have you done in the last year to reverse the productivity trend?
A regional productivity transformation is possible – safety is following a similar journey

**Fundamentals**
- Basic Safety Culture
  - Training
  - Incident Reporting
  - Inspections
  - Maintenance Plans
  - Awareness Campaigns

**Advanced approaches**
- Supporting Management Systems
  - Proactive Reporting
  - Measurement and Analysis
  - Individual Accountability
  - Investigations
  - Craft Involvement
  - Core Safety Values

**Behavior based safety**
- Behavioral Approaches
  - Human Factors
  - Behavioral-based Observations
  - Share Lessons Learned
  - Cultural Alignment

**Personal safety leadership**
- Leadership Culture
  - Understanding Risk Tolerance
  - Approaching Others/Intervening
  - Address Complacency
  - Interrupt Inattention
  - Blindness

**Maturity of safety culture**

**REACTIVE COMPLIANCE CULTURE**

**PROACTIVE**

**TRANSFORMATIONAL**
Suncor leadership set bold project targets for Suncor management teams and contractors to meet a productivity factor of 1.14.

Productivity targets are tied to 30 minutes of additional tool-time per shift which is easily understood and translated by leadership, management, and craft.

A structured productivity program has been implemented to help drive the productivity performance transformation.
Where does your organization measure up on the curve?

**Unaware – No Care Culture**
- Workforce practices applied without analysis of impact
- Workers are overbooked or idle
- No program, or governance

**Reactive – Blame Culture**
- Executive sponsorship explored
- Productivity is important, we do a lot when productivity is poor
- Program lacks consistency, need for governance recognized
- Metrics explored

**Predictable – Ownership Culture**
- Leadership championed program
- Lessons are learned, new ideas are welcomed
- Procedures are owned by the workforce/project team
- Risk mitigation planned

**Compliant – Compliance Culture**
- Executive sponsorship secured
- Plan the work and measure progress
- Risks Assessed
- Structured program consistently applied & audited

**Operationally Excellent – Leadership Culture**
- Leadership has active roll in productivity improvement
- Proactively identify opportunities and take action
- Planning our work, it’s how we do business
- Analysis drives strategic business improvement

Productivity Performance vs. Organizational Culture
The productivity program is starting to show results

Source: COAA / Industry data of project performance in Northern Alberta
Project Alignment and Delivery (PAAD)

Focus Areas for 2015-2016

• Risk Management
• Collaboration
• Skills and Competencies
• Scope Definition / Front-end Loading
Benchmarking Phase III

Funding recently obtained through NSERC leveraging the COAA investment dollars – *kickoff is imminent*

Continued partnership with CII and the University of Calgary

Transformational:

- Adding 2011 – 2015 project information to data base
- Introducing streamlined 10 – 10 benchmarking – leading indicators
- Building the foundation for the new COAA Productivity Index

This is a personal call for industry participation in the third phase of the COAA benchmarking work and remember…

"*If you're not keeping score, you're just practicing.*"

- Vince Lombardi, former head coach of the Green Bay Packers
Summary

• A more productive site is a safer site – better quality planning materially contributes to improved safety performance.
  
  • *We need to have the courage to set safety AND productivity targets, then measure the results and have honest conversations about our progress.*

• Suncor is working to reverse downward trend in productivity through a four work-stream approach - reversing the downward productivity trend will decrease the risk to future projects for both owners and contractors.
  
  • *We need to hold owners and contractors accountable.*

• A cornerstone of the productivity program is increasing productivity engagement – Suncor has launched a multi-channel communications effort to increase productivity engagement down to the craft level.
  
  • *We can’t do it alone – we need more owners and contractors to participate in COAA benchmarking.*