

## **Shell Carmon Creek Project. Indirects Optimisation.**

**quotable quote:** Multiple sessions, working on the reduction of construction indirects, resulted in a cost savings of six percent. Further detailed benchmarking of recent projects with similar scope, revealed we were still not top quartile. Continued work on productivity improvements uncovered an additional seven percent. *Shell Projects and Technology*

**success story:** We found that project indirects (all costs and labour utilized to support, but not actually perform, the construction of permanent facilities) presented a significant opportunity for cost reduction and productivity improvement. It took multiple passes to arrive at the desired outcome, in a collaborative workshop setting with the contractor, the owner, and external resources. Revised recruitment strategies, combining and synergizing staff roles, and minimizing on-site personnel to critical positions were key to finding productivity gains and cost reductions from the estimate. Continued focus, self-challenging, and invitation of critique from external parties, took the improvement from six percent, a point where we initially thought we had achieved success, to a combined 13% savings. *Shell Projects and Technology*

