



Knowledge is power

BP was an early adopter of Knowledge Management, a system that gathers all data gleaned across a company so managers and engineers at every level have access to, and can learn from, each other's experiences. **Wendy C Valot**, a consultant working closely with BP on the project, explains more to *World Expro*.

Wendy C Valot

Wendy C Valot is a Knowledge Management consultant working closely with BP. She has almost 30 years' experience working within the energy industry.



Knowledge Management (KM) is the way in which a business like BP can take the experience of its employees and experts across the world and bring it all together to create best practice and a competitive advantage.

BP's use of KM principles began under the leadership of its former CEO Lord Browne in the mid-1990s and has continued, more recently, with the development and implementation of KM Guidelines for Exploration and Production (E&P).

"The bare minimum for KM is to make KM strategy a reality: to ensure that people are out there applying the best knowledge that BP has, in a consistent manner throughout the world," says Houston-based BP consultant Wendy C Valot. "KM embraces all disciplines related to E&P, from drilling to engineering to project management, with the establishment of the best practices."

Within E&P, best practice is available as either drilling or technical practices (engineering) or guidance notes (project management) for all the 100 or more disciplines and sub-categories of work that BP undertakes. Communities of practice (CoPs) are, then, key for ensuring that KM survives and is effective. CoPs allow individuals across a discipline, to connect, to remain aligned and to apply consistent practices.

"This is global," explains Valot. "This is where key direction and content need to be defined. Intentional processes are critical to success with electronic supporting tools backing every process. People will share

that they applied a technical practice or guidance note and obtained results that differed from what they expected. They set out and share what they learned and what they would recommend to future teams based on their experience."

Validation process

Fundamental to BP's KM Guidelines and corresponding strategy is the stringent validation process. Initial best practices are developed and published only with appropriate approval processes in place. Related comments and learnings are all submitted via the intranet where all material is then reviewed by appropriate technical experts and subject matter experts and validated. "Among other criteria, a comment or learning has to be validated for the geographical area where the lesson was learnt and then a BP subject matter expert has to determine if it should be shared globally," says Valot.

KM on a daily basis

One challenge that Valot stresses for BP or any company is ensuring that its people see a way to tie KM into their daily business activities or behaviours. If folks don't see a daily connection, they may see KM as something they do "over and above their work" rather than as a part of their work.

"Right now, in the Gulf of Mexico we have over 700 of what we call current lessons across all disciplines," says Valot. "As people have offered up and shared those lessons, one key

thing we have done is delineate those 700 lessons by what we believe to be applicable discipline: to better allow another individual to review and apply just those lessons that are appropriate for their work scope. As a result of that delineation, after an individual is given rights to the KM lessons system, when something new comes up in their area, they are going to see it straight away."

Incentive to share

Learnings can be generated from both positive and negative experiences, for example, there are cases where BP's personnel can report results that came in better than expected as well as instances where outcomes were less positive than expected. Of course, there is the tendency to report only the positive learnings. But all learnings are valuable to BP.

"What BP doesn't want is a learning not to be shared because it is seen as a negative learning and then the project or operations right beside them 'learns' the same thing by experiencing the same circumstances a second time," she explains.

Therefore it is critical that BP creates and maintains a climate where all sharing is rewarded. The CoPs are a strong element in enforcing this as well.

Knowledge value

Even though successful KM does not rely on raw data, but rather the quality of information that is shared, BP measures categories of value by currency and likely frequency of occurrence. Valot explains that

with the exception of safety and human life, considered a critical issue that is 'off the chart', BP operates five 'buckets' of value with the highest bucket being greater than \$1.5 million, so that people can assign a category of value to a lesson learned. A day of lost drilling or production has a value. That estimated dollar value, along with the likely frequency with which an event occurs or is likely to reoccur, defines the value of the learning to BP.

"I see this as analogous to risk management when defining value," she says. "The question people have to ask themselves is: 'What is your business value if you share and what is your exposure if you don't share?'"

According to Valot, a key challenge for KM, not just at BP, is that everyone will agree that they want to work smarter. However, given their experience and confidence in their abilities, the tendency they need to fight is to just get on with the job rather than go out and seek insights into the work they are about to start. "Everyone knows that the greatest influence that can

“ Learnings can be generated from both positive and negative experiences. But all learnings are valuable to BP. ”

be had on overall results is at the beginning of a project," says Valot. "However, the human tendency is to start work straight away, without stopping and saying, 'let's ask as many key questions as possible first'. KM planning is about stopping the work and saying that the greatest influence is in these earliest stages in the project. Peers need to be consulted as well as technical experts. If this is not done from day one, then every day that more money is spent there is less chance to incorporate that influence in what is being done, because commitments have already been made."

Top-down success

Every project manager needs to make sure that in using KM for planning, all possible key questions are asked inside the company

and, if necessary, outside as well. In Valot's view, KM has succeeded at BP because of the continuing commitment from the top of the company.

"If you are going to make KM a reality, it is back to the championship of leaders who are willing to say that they want people to share and, in addition, to making the strategic commitment they commit the resources," she says.

Valot cites a recent assessment of a major project in which KM was one of the criteria that managers used to quiz and grade the plans and examine their quality control.

"The leadership challenged the project people involved to ensure that they had gone out and consistently sought out and applied the lessons that they needed to learn before moving forward," she says. ■

One solution - Complete control

The leading supplier of welding quality and documentation software



www.weldindustry.com