



Forget Reasonable Expectations: Deliver Beyond

An alliance inspires an industry.



OUR CLIENTS SUCCEED

The Challenge

A global energy company was undertaking a major refinery expansion that would equip the facility to produce low-sulfur, “clean” fuels. There were numerous complicating factors to overcome, including the fact that the effort involved four distinct alliance partnerships – making for a total of 12 stakeholder organizations, four owners, and six senior contractors.

Compounding matters was the economic environment. At the time, many global firms did not consider Australia to be an optimal location for investing in capital projects. The status quo in the industry was one of projects running over budget, behind schedule, and faltering with regard to safety and quality standards. The capital project marketplace was struggling and the parent companies involved in the alliance had competing agendas. The challenge was steep: to beat all reasonable expectations for delivering on all key project targets for schedule, cost, quality, and safety.

The Work

JMW was brought in to support the effort. The alliance owners knew they had to get all stakeholders aligned on common objectives as well as highly ambitious performance targets that reached well beyond the predictable performance. The work began with the alliance partner CEOs committing to work collaboratively to deliver a highly successful project. All senior executives and key management personnel participated in JMW leadership development programs

focused on the capabilities required for their teams to deliver high performance. The entire team committed to delivering a world benchmark project, thereby proving that capital project investment in Australia was indeed a wise decision for global businesses.

From the CEO level to the people working on the front lines, this mission was broadly communicated and the alliance partners agreed to an accelerated timeline for delivering the project ahead of schedule. With JMW’s support, they would ultimately agree to implement a new modular construction methodology never before used in the industry.

The work wasn’t without obstacles. After a serious safety incident, with 2,000 people working around the clock, the asset manager made the critical decision to shut down the entire operation until the underlying issues had been resolved. There were also organized labor concerns to address as the alliance decided to implement its new construction methodology offshore, in parallel to the onsite construction work. This led to another challenge in the Philippines, where the offshore work was being done and leaders had to find a way to speed up the effort in an unfamiliar environment.

In each instance, leadership worked together to find solutions so that they could remain true to their broader mission. By applying their new, agreed-upon principles for how they would approach and overcome obstacles, they were able to deliver extraordinary results.



The Results

The alliance surprised many, delivering the project six months ahead of schedule, on budget, and at world benchmark levels of safety and quality. This performance was unprecedented.

Innovation. In line with the aspirational future that the stakeholders agreed to – paving the way for the future capital projects in the country – key players innovated in unanticipated ways. They (1) devised a new modular construction methodology, then (2) decided to implement the methodology in parallel with the onsite foundational construction. Neither of these approaches had ever been pursued before – and as a result, the alliance introduced an innovative and cost-saving methodology to their industry.

- Six months ahead of schedule
- On budget despite obstacles
- World benchmark quality
- Safety turnaround and new safety culture

Accelerated performance. Another unexpected outcome was the extent to which onsite rank and file rallied behind the acceleration of progress. Delivering the project ahead of schedule would mean these individuals would be out of work sooner than expected, in a marketplace where it was tough to find new projects. While it was not in their personal best interests to complete the project at breakthrough speed, they were determined to meet the alliance’s broader objectives – for the greater good of the construction trade in the country.

Culture shift. The four-day safety shutdown was costly, as the asset manager had decided that employees would continue to be paid during the down time. The result was a workforce newly inspired to address the underlying causes of safety issues. They adopted an entirely new attitude to safety despite the pressures associated with the rapid pace of the effort. The workforce defied a history of construction safety lapses in the region, achieving higher levels of safety across the board than people on the project had ever experienced.

“Win-Win.” Leadership embraced a “win-win” approach that led to significant results with onsite and offshore workforces. Onsite, although organized labor would have traditionally blocked the move to implement construction in another country, they understood it would be “win-win” for the project and the construction trade if the offshore work contributed to a successful result. Similarly, when progress in the Philippines was jeopardized because the shipyard couldn’t procure steel, the alliance stepped in and arranged a line of credit to do so. It was a defining moment that helped secure a true sense of partnership, and served as a demonstration of both parties benefitting through mutual success.

More than one stakeholder on the project called it the highlight of their career. Despite a predictable trajectory of going over budget, delivering late, and doing so with questionable safety and quality, the alliance performed far beyond any reasonable expectations and set new standards in the industry.

In the words of the lead JMW consultant on the project:

“It was like the project was turbo-charged. People involved in the work have stayed in touch with us and often comment on what a remarkable experience it was – taking that big stand together and coming through for each other, for the industry, and for the country.”

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