

CASE STUDY:

Oil and gas giant creating harmony when merging two companies

The Client

A giant in the international Oil and Gas industry that had recently acquired a smaller company in the same industry.

The Challenge

Harmonizing the workflows, processes and procedures of the two companies in six departments. But we found two additional challenges within that challenge: COVID and the fact that we'd be working with different departmental teams on every project, in essence starting from square one each time.

When one company acquires another and they begin to merge their operations, those early days can seem like a delicate dance on a tightrope. Put one foot wrong, and the whole thing can come crashing down. That's because oftentimes, each company has its own way of doing essentially the same thing, with people on both sides entrenched in the belief their way is the right way. If the acquiring company comes in like a conquering hero and simply imposes its own processes and procedures, it can ruffle feathers, create bad feelings and even lead to employee departures. Blending two companies is difficult enough without that.

Recently, USC Consulting Group was brought in to harmonize the workflows of a giant in the energy transportation industry with those of a smaller company they had recently acquired, and with which we had previously worked.



We were charged with looking at six areas:

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|-----------------------------|----------------------------------|
| 1. Operations | 5. Maintenance on their stations |
| 2. Engineering | |
| 3. Storage and transmission | 6. Product distribution |
| 4. Services | |





The Solution

Process mapping

We looked at their processes from 30 thousand feet, so to speak, researched best practices, drew on our expertise in efficiency, and put together workflows of both companies' processes. We made a list of integration recommendations to mesh their two processes together in the best way possible.

We used a process mapping technique commonly referred to as a "brown paper" exercise, in which we use a large map (on brown paper, hence the name) to diagram each business process as it is, and what it might look like when combined. It's literally a matter of putting the map up on the wall in a conference room, adding to it, and coming up with a new, combined process that everyone can see laid out in front of them. It gives everyone involved a clear picture of what's working, what can be improved upon, and what the end result might be.

It worked great ... until COVID changed our plans.

How to do it remotely?

We were midway into the fourth area, services, when COVID forced us out of the facility. We were suddenly faced with doing all of our work remotely and needed to transition quickly. We ran into issues with connectivity — some people needed to ramp up their at-home bandwidth in order to work seamlessly from a distance.

There was also the matter of our "brown paper" mapping. How would it work without tacking it up on a conference room wall for everyone to see? We found the answer in a new software product we hadn't previously used. It's Prezi, which some people liken to PowerPoint on steroids. It allowed us to duplicate our brown paper mapping in minute detail. Participants could get a big-picture view of the whole map, zoom in to see numbers, and everything in between. It duplicates the mapping experience, allowing us to collaborate remotely with our clients.

Starting “fresh” with every project

Of the six areas we were charged with examining, from operations to product distribution, all had different people heading up those efforts. The top company executives were the same and very supportive of our efforts, but we were starting at square one with the people we'd be working with.



How we handled it:

- Started each project with a workshop
- Introduced our concepts and methodologies
- Got everyone up to speed with process mapping
- Then, we rolled up our sleeves and got to work, using the same process for each of the six areas.



Results

The spirit of continuous improvement, which we employ on all of our projects, prevailed here as well. Everyone was on the same page, working for the same goals. Of the hundreds of people we worked with over the course of six projects, only a couple had any concerns at all. That's unusual. When you're blending processes in an M&A situation, you're dealing with the way people have worked, on the job, day after day on the shop floor, sometimes for their entire working lives. It can ruffle feathers and stir up concerns and even insecurities or anger. That didn't happen. Instead, employees were engaged and involved in the process, and feel positive about the future of their blended company.

This a long-term engagement. Stay tuned for updates on how these process changes are playing out in the workplace and in the field.

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