



# Managing 'people' on the critical path to operational readiness

A primary goal of a capital project is to achieve "operational readiness" in time for the scheduled start-up. A quick Web search of operational readiness provides a host of definitions that include varying factors that impact the readiness of a project to successfully achieve its goal. All of those factors can be summarized in three

major categories that affect quality, cost and performance — equipment, systems and people.

With the above in mind, three broad questions need to be answered in order to achieve operational readiness:

- Are the essential *technology* elements ready?

- Are the critical *processes* necessary for operations ready?

- Are the *people* ready to transition to operations?

While the first two questions receive the most attention early on in a capital project, it's the third question that seems to raise its head late in the project, almost as if it were an afterthought. In many cases this results in "people" defining the project's critical path, often resulting in project delays that could have been mitigated by addressing the matter earlier in the project timeline. Evidence of this can be found in many projects. For example, a recent capital project attributed significant project delays to additional time "required for start-up activities and operational readiness, including enhancing the scope of specialized operator training." Also, recent capital project research cited the No. 1 root cause of capital project issues is "people and organization."<sup>1</sup>

Since delays related to the "people" aspect of operational readiness impact capital project schedule and cost so significantly, careful planning and execution of all human factor requirements

is essential to project success. In the planning process, it's important to realize people, processes and technology are interrelated. As shown in Figure 1, each has the opportunity to impact project quality, cost and performance. Neglecting any one of the factors will create capital project issues.

A systematic approach to managing human factors on the critical path to operational readiness can be accomplished implementing the following five-step process as early as possible in the project plan:

1. Define jobs — It's important to identify how people will be used in each operational state. Job roles and responsibilities

must be defined with key metrics in mind.

2. Map competencies — This involves identifying the safety and regulatory factors that apply to the job, along with the systems that are used for job performance and the skills and knowledge associated with equipment and processes affecting the job.

3. Proceduralize key tasks — This is especially important in the highly regulated oil, gas and hydrocarbon industry. Compliance-related procedure needs along with critical task-based procedures for personnel must be identified. Job aids and visual cues to aid in job performance should be considered.

4. Recruit and train personnel — A structured training and development program is essential for projects in regulated industries with new equipment, processes and technology, and a new workforce.

5. Certify/assess competencies — An objective method of certifying human factors is a key to operational readiness. Certification/assessment provides proof people are ready.

Most companies are adept at planning their capital projects and contracting partners for the systems and equipment elements of their projects. While these elements receive the highest priority, careful planning and follow-through for the human element is just as vital. By addressing human factors early in a capital project plan, successful completion and start-up can be achieved by getting your people on the "critical path" to operational readiness.

**For more information on preparing your workforce for operational readiness, please contact Ron Faciane at (225) 663-5826 or by email at rfaciane@gpstrategies.com. ●**

<sup>1</sup>Cisco Capital Projects white paper; SBC Capital Projects Research, 2012.

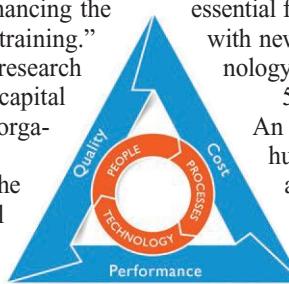


Figure 1 — operational readiness factors.

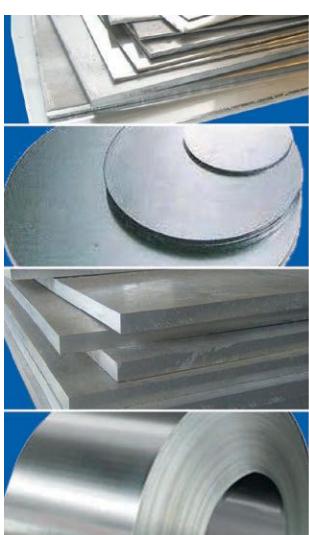


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To learn more about our solutions for oil and gas, read "Managing 'people' on the critical path to operational readiness" in this publication or visit us at <http://oilgas.gpstrategies.com>.



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