

A large, stylized orange chevron pointing to the right, serving as a background for the text.

High performance. Delivered.

Richard Holsman
Managing director,
Global Energy Digital & Technology,
Accenture

Video transcript

Oil and gas companies are investing in digital to help drive future growth.

Over the past year, the price of crude oil has more than halved and most oil and gas executives feel this volatility is here to stay. In a [recent Accenture survey](#), only 29 percent of the oil executives surveyed felt prepared for that uncertainty and over 22 percent felt that their company was not equipped or agile enough to adapt to it. So what can oil and gas companies do?

Can digital technologies help address the oil industry's current and future challenges?

Oil and gas executives agree that digital technologies can help the current challenges and help future growth in a [recent study done by](#)

[PennWell Energy with the Oil and Gas Journal](#) of oil and gas executives, most oil and gas executives saw the value in increasing operational efficiency and most said that the oil companies are either going to continue investing at the same level or increase them. 86-90 percent of those executives surveyed felt that cloud, mobility, big data, analytics and Internet of Things technologies will create value in oil and gas. So oil executives all agree that digital technologies can add value and the oil companies are investing in them today.

Where are oil and gas companies investing in digital?

Not surprisingly, what the survey told us was that oil and gas companies are investing heavily today in cloud, infrastructure and mobility. And I see this mainly to help address the cost

challenges and leveraging those technologies to drive up operational costs.

In the next three-five years the survey suggested that companies are going to start investing more in analytics, big data and the Internet of Things. And this is to take advantage of the next wave of value that could be created within the digital technologies.

Where will digital technologies add the most value?

According to the survey, most respondents felt that digital will add the most value around enabling people and enabling the assets in the field. So some examples of that are using mobility to enable field workers with the right information at the right time to make key decisions, and

moving those decisions out to the field rather than having them done centrally. Another example of that would be using big data and analytics to make better decisions about maintenance. And a third example of Internet of Things would be around leveraging and managing big data, digital to manage and monitor remote assets.

What can oil and gas companies do today to add business value?

There are a couple of things that oil and gas companies can do today to add business value. Number one, they can look at digital and use it to drive down cost and increase the

agility in business operations. Some examples of that could be in IT in using cloud and applications as a service to drive down costs. It could be in functions like HR, finance and supply chain using analytics to drive out value and find new sources of value. And it could be in core operations using mobility in analytics to get data out to the people that need it most in the field.

The second thing that companies can do today is to look at digital and how it can address some of those key challenges that we're facing in the current crude cycle, like keeping capital projects on time and on

budget, or keeping our plants up and running at greater efficiency.

And lastly, looking at fuels retail and trying to get more margin out of that part of the business. The last thing that companies can do today is look at where they can invest for future growth. Areas like remote management and monitoring of the assets, looking at big data and analytics across the organisation, and leveraging the Internet of Things. Those are all things that we believe oil and gas companies should be focusing on today.