Achieving High Performance in the Energy Industry

High performance. Delivered.
Did you know?

In 2002, Accenture founded the Accenture Global Energy Board, which consists of directors of leading automotive, chemicals, energy and utilities companies; external industry experts; and distinguished academics from around the world. This is a forum for discussing how the future of energy will evolve; the effect that possible changes in energy sources will have on society, politics, the economy and the environment; and the actions that companies need to take in response to these changes.
Accenture teams with energy companies to deliver innovation.

Accenture helps organizations achieve high performance through a wide and differentiated range of services and solutions. We bring:

- Deep industry knowledge through our work with more than 75 percent of the Fortune Global 500 companies.

- Service offerings and the experience of more than 240,000 people in more than 120 countries.

- A dedicated technology research and development organization that has been turning technology innovation into business results for more than 20 years.

We invest in the energy industry, creating leading processes and a comprehensive model for growth.

Did you know?

99 of Accenture’s top 100 clients in fiscal year 2011 have been clients for at least five years, and 92 have been clients for at least 10 years.
Achieving high performance in energy

Dedicated Accenture consultants provide upstream, gas, trading, refining and marketing services to energy companies around the world.

Our upstream consultants work with national oil companies (NOCs) and international oil companies (IOCs) on process excellence, integrated oilfield solutions, upstream data management and upstream application management.

Our downstream services help companies improve and manage trading, refining, wholesale and retail marketing, lubricants operations, plants, and the hydrocarbon supply chain.

Our gas team covers the processing and transport of natural gas by supermajors, energy merchants, pipeline operators, marketers and distributors, focusing on areas such as liquefied natural gas, shale gas, intelligent pipeline, commercial optimization, operations, trading and risk management and capital projects management.

Our downstream consultants work with national and international oil companies and energy services providers on optimizing operations, supply chains, logistics and capital projects.

Accenture's Energy industry group spans the entire energy value chain

Did you know?
The Accenture Energy industry group is investing extensively in Accenture’s business process management initiative. This initiative focuses on defining leading industry processes and a comprehensive model for the energy industry across all segments, including industry-specific business processes, process flowcharts, key performance indicator (KPI) frameworks and capability assessment models. The logical operating model has been developed not only for oil and gas, but also for biofuels, engineering/procurement/construction (EPC), oilfield services, oil sands and capital projects.
What we offer

Extensive research exploring the energy industry, as well as ongoing High Performance Business research encompassing more than 6,000 companies worldwide.

Industry offerings to develop business strategies, reduce time to first oil and gas, optimize operations and provide back-office functional services including supply chain, enterprise resource planning (ERP), information technology transformation and finance functions.

Tools, methodologies and templates for a consistent approach to development and delivery. Our robust business process framework addresses not only oil and gas, but also biofuels, EPC, oilfield services, oil sands and capital projects.

Decades of experience working with more than 150 leading oil and gas organizations in more than 30 countries around the world.

Business value

Gain insight into innovative approaches and solutions, as well as future industry transitions.

Focused solutions that address specific industry needs.

Scale fast with effective delivery that helps realize solid, sustainable business results.

Tap into a heritage of wide-ranging industry knowledge that takes full advantage of local and global skills.

Accenture has a presence in many key energy geographies
As part of this research initiative, Accenture studied energy companies and the attributes that are common among the high performers. To understand what sets them apart, we looked at a number of key elements of high performance for each company in our sample. In this way, we identified energy companies that have delivered solid shareholder returns, achieved superior growth, profitability and consistent earnings and are well positioned for the future.

High performers do not always boast the lowest global exploration, development or acquisition costs, yet they do manage to achieve very good returns on their investments. Success is based on the development of distinctive business models that allow them to excel. While their business models vary, high-performance businesses share six key attributes:

• A growth-focused strategy
• Mastery of niche technologies
• Operational excellence
• Strong, involved leadership
• Organizational effectiveness
• A culture geared to growth and high performance

Accenture offers a range of energy-specific solutions to help energy organizations address their key issues and achieve high performance. For example, we have developed comprehensive approaches to helping organizations optimize plants, enter and operate in emerging markets, create sustainable operations, develop business models for greenfield operations and maximize production.

Through a combination of innovative thinking and cutting-edge research, Accenture helps organizations understand the energy industry landscape—today and tomorrow—and the actions they need to take to survive and thrive.

Research heritage

Accenture's ongoing High Performance Business research, which encompasses more than 6,000 companies worldwide, provides insights into the characteristics and practices that enable some organizations to consistently outperform their peers.

Did you know?

Accenture recently announced an Innovation Center for Energy and Utilities. The center focuses on accelerating the industry’s pace to high performance by facilitating industry dialogue and developing thought leadership across the topics of capital, customer influence, innovation, policy and sustainability, resources, talent, and technology.
**Industry insight**

Find out more about Accenture's ongoing commitment to create innovative thinking and research in the energy industry through our thought leadership series:

- Accessing Oil and Gas Reserves: Rethinking Upstream Offers by International Oil Companies
- Achieving High Performance with Business Process Management in Energy
- Betting on Science: Disruptive Technologies in Transport Fuels
- Changing the Game: Plug-in Electric Vehicle Pilots
- Developing Local Content Programs: Insights for Global Players to Achieve High Performance in Today's Competitive Energy Landscape
- Downstream Energy Transformation
- Energy Industry Trends Review—Quarterly Publication
- National Oil Company Study: Transforming the Competitive Landscape for Global Energy
- Non-Hydrocarbon Supply Chain for Oil and Gas Companies: Finding Opportunities for High Performance
- Plug-in Electric Vehicles: Changing Perceptions, Hedging Bets
- Review of Carbon Accounting and Reporting in the Oil and Gas Industry
- Risk Management—Energy Industry Report
- Securing Your Talent Reserves: An Accenture Perspective on Building Strategic Talent Management Capabilities in the Energy Industry
- Six Questions Every Executive in the Energy Industry Should Ask About Cloud Computing
- Top 10 Technology Trends in Energy
- Transforming the Finance Function for High Performance
- Understanding the Future Energy System

Visit [www.accenture.com/energy](http://www.accenture.com/energy) for more information.
Services and solutions for energy companies

Backed by our industry research and experienced consultants, Accenture provides a broad set of services including consulting, technology and outsourcing services. We have identified 12 high-value opportunity areas that are particularly relevant to energy companies.

Strategy services

The day-to-day management of an oilfield services or energy business has grown increasingly challenging, and long-term planning requires acute vision, strategy and execution. Key strategy services that Accenture provides to international and national oil companies include:

Portfolio management
Looks at asset portfolios, often seeking insight with regard to new operating models, new leadership capabilities and innovative ways to help ensure leading practices flow between new configurations of assets.

Risk management
Uses risk-adjusted performance management methods and tools to help clients protect and increase economic and shareholder value.

Renewables/clean energy strategy
Focuses on helping clients understand and assess low-carbon technologies within the context of the wider energy ecosystem, including technology development, government policy and consumer preferences.

Operational improvement services

Maximizing the effectiveness, efficiency and safety of assets is a key focus area for energy companies. In operations, Accenture focuses on five key improvement areas for energy clients:

Time to first oil/gas
Assists clients with managing their capital projects to get to first oil or gas on time and within budget by maximizing the processes, readiness requirements and decision making throughout the capital project life cycle.

Production optimization
Seeks to maximize the value of current production infrastructure.

Plant optimization
Focuses on optimizing refineries and plants including maintenance, reliability and safety concerns.

Commercial optimization
Seeks to manage the complex and interrelated decisions spanning the entire hydrocarbon value chain—from crude supply and trading, through refining, product supply and trading, logistics and distribution, wholesale and retail marketing.

Operations/integrity management
Developing operating models and processes that link action oriented risk management plans with operational performance metrics and accountability.

Functional services

We provide oil and gas companies with capabilities to manage and improve enterprisewide corporate functions so they can focus on their core businesses. Key functional services include:

Integrated supply chain
Focuses on streamlining and integrating supply chain processes and systems based on shared data sources, enabled by lateral cooperation across the organization. It covers all components and functions associated with supply chain activity in the non-hydrocarbon value chain, including capital project activities.

Finance transformation
Assists finance executives with a significant change agenda to streamline the front- and back-office finance organization, and standardize systems, processes and data. This includes governance and support through transformation phases, while determining the best tools and analytics to support the organization.

IT Transformation
Improves IT performance via large-scale changes to culture, processes and technology.

Process-led enterprise solutions
Enable organizations to choose, design, build and implement an end-to-end process-led ERP solution. The services include the full ERP life cycle, ranging from ERP strategy, operating model design, ERP solution design, implementation and operation. The process-led approach enables tight alignment with business priorities, maximizing business value potential.
Consulting

- Business process management
- Change management
- Customer relationship management
- Finance and performance management
- International development
- Mergers, acquisitions and alliances
- Mobility Services
- Operations
- Risk management
- Strategy
- Supply chain management
- Sustainability
- Talent and organization performance

Technology

- Analytics
- Application modernization and optimization
- Capacity services
- Cloud services
- Data center
- Digital marketing
- Human capital management
- Information management
- Infrastructure
- IT service excellence
- IT strategy and transformation
- Mobility services
- Network technology
- Open Source
- Oracle
- SAP
- Security
- Systems integration
- Technology architecture
- Testing services
- Workplace enablement

Business process outsourcing

- Application outsourcing
- Bundled outsourcing
- Capacity services
- Engineering BPO
- Finance and accounting BPO
- Human resources BPO
- Infrastructure outsourcing
- Learning BPO
- Networking BPO
- Procurement BPO
- Supply chain BPO
- Testing services

Case study: Increasing upstream operational efficiency

The challenge

A major national oil company (NOC) is collaborating with Accenture to implement a companywide, integrated digital field management program aimed to improve production, reduce costs, increase oil recovery and improve the safety of operations. Joint project teams are implementing a number of initiatives at two of the NOC’s sites: an onshore brownfield and an offshore deepwater greenfield.

Efforts at the onshore site are focused on developing and implementing an integrated digital field management solution to support operations. Accenture is developing a number of technical components, as well as designing and implementing three collaborative environments, redesigning key business processes, and conducting change management activities to help facilitate the move to the new approach. Work at the offshore site involves implementing an integrated software planning solution to help the NOC improve offshore services planning. That program is expanding to include the development and implementation of a collaborative solution integrating real-time production operations information, processes and technology.

High performance delivered

The NOC expects to improve production activities by enhancing collaboration between onshore and offshore teams and strengthening communications, both internally and with service providers. The program is also designed to improve the NOC’s ability to monitor production performance and reduce the need for rework across production-related areas. Most important, the new environment will give decision makers the integrated, accurate information they need to identify, analyze and act on problems and opportunities.
Information Technology

Accenture is a leader in technology and outsourcing. Accenture has a technology vision that incorporates our approach toward key technology trends such as analytics, cloud computing, digital marketing and mobility.

Analytics

Analytics is the extensive use of data, statistical and quantitative analysis, explanatory and predictive models and fact-based management to drive decisions and actions. It is a discipline at the intersection of business and technology. Every organization, regardless of its current capability, can benefit by becoming more analytical over time. Accenture is focused on creating insights that inform decision makers, enabling them to drive improved business outcomes, powered by analytics.

Cloud computing

Cloud computing has the potential to revolutionize the way most companies, large and small, do business. The cloud’s potential is to help an organization accomplish its goals, to do things not just faster and cheaper, but exponentially faster and cheaper. Accenture helps energy companies sort through the complex choices presented by the many vendors, services and technologies in the market. We also help integrate and manage the new IT landscape so that our clients can focus on how cloud brings competitive differentiation to their businesses and helps them realize their core strategies.

Digital marketing

Accenture Interactive works with companies to accelerate the journey toward agile and intelligent digital marketing. Accenture Interactive has a number of integrated platforms to facilitate the analysis of data and to produce relevant user experiences, as well as to increase return on marketing investment. Accenture Interactive also helps clients put together plans for their digital strategies (social media, media management, etc.).

Mobility

Mobility is focused on enabling its clients to achieve breakthrough growth throughout the rapidly changing mobile ecosystem. Our Accenture Mobility Services Group provides consulting, software services, managed services, and business integration services. These are designed to help organizations embrace business to employee (B2E), business to consumer (B2C), business to business (B2B) and machine to machine (M2M) business opportunities.

Outsourcing and delivery services

Backed by a global delivery network, Accenture offers leading outsourcing capabilities:

Application outsourcing
Providing a flexible spectrum of application outsourcing services—from strategic IT consulting to systems integration to outsourcing—around the globe.

Infrastructure outsourcing
Assisting organizations to create a more cost-effective and responsive IT infrastructure which promotes service stability and reliability, and facilitates rapid response to changing market and business conditions.

Business process outsourcing
Helping organizations do more with less by holding down overall operational costs while making selective investments that will fuel future success.

Bundled outsourcing
Outsourcing several back-office functions to one provider can help companies in pursuit of high performance reduce cost and management resources while acquiring flexibility and capability for growth.

The Accenture Global Delivery Network

The Accenture Global Delivery Network is instrumental in delivering faster, higher-quality services with less risk and more predictability. Our footprint includes more than 50 delivery centers in over 40 carefully-chosen locations across the globe staffed by a team who form a network of more than 140,000 highly skilled professionals. Each one is equipped with advanced information technology and an extremely secure infrastructure. Wherever businesses operate, the Accenture Global Delivery Network provides access to proven methods, leading-edge tools and platform-specific architectures, all in the hands of skilled, flexible consultants. The Accenture Global Delivery Network delivers excellence 24 hours a day/7 days a week—wherever it is needed.

Did you know?

Accenture was ranked No. 1 on the International Association of Outstanding Professionals' (IAOP) Global Outsourcing 100 ranking of the world’s top outsourcing service providers, for the fourth year in a row (2011).
The Accenture Delivery Centers in India provide a comprehensive range of technology capabilities and business process outsourcing (BPO) solutions, and they are a strategic cornerstone of the Accenture Global Delivery Network.

Our India workforce includes employees located in Bangalore, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune. Through this network, we offer world-class services for organizations seeking to leverage the benefits of offshore outsourcing. The Delivery Centers in India are uniquely positioned to leverage Accenture’s industry knowledge, functional capabilities, alliances and technology to produce tangible business results that can help you achieve higher levels of performance. Our technology and business process consultants can take on the most complex and demanding projects. The size and flexibility of the Accenture India team enables us to ramp up quickly for large, time-critical programs.

A key element in our India network is Accenture’s Energy Innovation Hub, which is based in our delivery center in Bangalore. The Energy Innovation Hub includes consultants with industry, functional and technology knowledge who draw on Accenture’s energy industry experience to develop and expand the knowledge, assets, tools and templates that we use in our work with oil and gas clients. Overall, the center acts as a focal point for not only providing service to the industry, but also for exploring new ideas and approaches that help energy companies become high-performance businesses.

Did you know?

Accenture was included on Great Place to Work Institute “India’s Best Companies to Work For” list in 2011.
Our goal is to create long-term relationships working cost effectively to maintain, adapt and optimize our solutions together. Our alliance network includes more than 150 market leaders and innovators.

This provides our clients with specialized skills and tailored solutions for each client’s needs. Alliances help Accenture deliver innovative solutions more quickly than any company could do alone.

For instance, we collaborate with Microsoft, Oracle and SAP on industry solutions and engage in new technology developments before they are widely available in the marketplace. Some of our energy industry alliance and relationship partners include:

• Cisco Systems
• Dell
• EMC
• Hewlett-Packard
• Informatica
• Microsoft
• Oracle
• OSIsoft
• SAP

To review a complete list of Accenture’s alliance partners, visit www.accenture.com/alliances.

Did you know?

• **Microsoft** has awarded Accenture and Avanade its global systems integration Partner of the Year award six times
• **Oracle** has recognized Accenture for five years running as their leading systems integrator
• **SAP** has recognized Accenture as its leading partner for the fifth consecutive year
Case study: Assessing low-cost country sourcing

The challenge

A major energy company saw its costs rising on a number of fronts and decided to take a close look at the potential for increased global sourcing. The company asked Accenture to assist it in determining what sourcing in low-cost countries (LCC) could mean for the company, and how to take advantage of sourcing opportunities. Accenture developed an LCC sourcing strategy and a plan for implementing that strategy. The effort drew on specialists in China, Eastern Europe, India, Latin America and Russia and examined sourcing possibilities across the company’s upstream, downstream and petrochemicals business.

High performance delivered

The assessment covered the whole procurement spend of the company (more than $25 billion), and identified significant spending that was suitable for LCC sourcing, providing an opportunity for significant potential savings. For each of the sourcing activities, Accenture teams in LCCs assessed local supplier market readiness, while the Accenture European team assessed the company’s implementation ability and the potential savings. The project team also developed a benchmark review of LCC sourcing practices in the oil and gas industry. In the end, each of the three business segments had a clear plan for moving ahead and realizing increased savings, and all three are now pursuing those initiatives.

Case study: Optimizing service delivery

The challenge

Facing increased business complexity, a growing number of employees and tighter markets for professionals, a major oil company collaborated with Accenture to establish a world-class approach to shared services. Focusing on five functional back-office areas—human resources, finance, procurement, information technology and facilities management—the company worked with Accenture to transform people, processes and technology in those areas.

Accenture assembled a global team of consultants from more than 10 countries, and worked with the oil company to thoroughly define and standardize services and optimize the balance between business needs and the complexity of the shared services operations.

High performance delivered

The newly established global shared services center is applying approximately 40 leading practice-based services that are generating a 15 percent reduction in costs. In addition, the shared services approach is giving the company truly global business services supporting every office throughout the world, leading-edge technology that provides the foundation for superior process support and the optimized use of people in an extremely competitive market for professionals.

Overall, the shared services organization is expected to deliver 5 to 7 percent annual improvement—and the optimized back-office functions are expected to enable high performance in other areas of the business to drive increased competitiveness.
Our commitment to our people

Our most important asset is our people. The global makeup of our workforce enables us to serve our diverse and global client base. The continued development of our employees is part of our heritage. Our people receive significant and focused technical, functional, industry, managerial and leadership skill development and training appropriate for their roles and levels throughout their careers.

We see career development as essential for the success of our clients and ourselves

We run a comprehensive performance management system and reward both individual performance and teamwork to strengthen our employees’ commitment to our clients and our values.

We operate according to strong values

Six core values guide our decision making as well as our interactions with clients and our colleagues. These simple, yet powerful, values—Stewardship, Best People, Client Value Creation, One Global Network, Respect for the Individual and Integrity—complement Accenture’s Code of Business Ethics and shape the culture and character of our company.

Did you know?

Accenture spent approximately $800 million in professional development of its employees in fiscal year 2011.

Our commitment to the community

In recent years, a broad spectrum of critical issues, from the global economic crisis and climate change to the needs of disadvantaged individuals and communities, has challenged the character of organizations. Such challenges offer an opportunity for businesses such as Accenture to demonstrate courage, values and leadership.

We seek out sustainability

We work with companies and public-service organizations around the globe to integrate sustainability approaches into their business strategies, operating models and value chains.

We are using the latest “green” building techniques in our offices around the world; for example, we have the highest rating, “6 Green Star” for our Sydney office.

Did you know?

Accenture’s was named one of Ethisphere’s “World’s Most Ethical Companies” in the Business Services category (2008–2011).

We build skills for success

Our corporate citizenship activities—including time, skills and financial giving—support a global focus known as Skills to Succeed. This initiative educates people around the world, building skills that enable them to participate and contribute to the economy.
Conclusion

Energy companies find themselves in a complicated and evolving landscape, with challenges such as skill and talent shortages, cost pressures and the need to invest in new technologies. Spanning the entire energy value chain, Accenture’s Energy industry group provides industry insights, industry offerings, delivery assets and decades of experience for each segment of the oil and gas industry to help navigate the changing landscape.
About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 244,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$25.5 billion for the fiscal year ended Aug. 31, 2011. For more information, visit www.accenture.com.