



HYPE  CASE STUDY

ConocoPhillips

Idea Campaigns for Continuous Improvement

SCENARIO

ConocoPhillips Alaska employees collaborate in the office and in the oil fields on ideas for increasing production, improving efficiency and reducing costs, saving millions each year through smart solutions for continuous improvement.

ConocoPhillips is Alaska's largest crude oil producer and one of the largest owners of state, federal and fee exploration leases, producing 179 thousand barrels of oil equivalent each day and managing approx. 0.5 million net undeveloped acres at year-end 2016. Through their Margin Improvement Site, powered by HYPE, they presently track over 2,000 ideas for continuous improvement initiatives. They run 6-8 campaigns per year, reaching a community of over 1,500 employees and contractors in the office and field. The initiatives achieve millions of dollars annually in cash flow improvement.



"We positioned HYPE as the tool where we could apply performance metrics, surface critical data and provide real-time dashboards to the executive team. This really sold the platform to the business, and HYPE has since become our tool of choice for our corporate margin improvement program."



Joe Ramos

Continuous Improvement Lead
ConocoPhillips

BUSINESS CHALLENGE

Each year, ConocoPhillips Alaska sets organizational targets focused on margin improvement for its business unit. Margin improvement is so strategic to the ConocoPhillips operations that they have a dedicated Business Performance (BP) Team which focuses solely on the program. One of the ongoing challenges for its Alaska operations had been to develop an overall structure to ensure a consistent, organized approach for its “Doing Business Better” efforts. Beyond the tangible savings of the margin improvement, DBB campaigns collect ideas for non-tangible savings and efficiency improvements.

When the project started, the BP Team was known as Continuous Improvement Team. They wanted to tackle the challenge of ideation in the organization. The group had great ideas surfacing from various teams and individual contributors. They started by collecting and tracking ideas in SharePoint. However, they knew they needed a purpose-built platform to manage their ideation campaigns for margin improvement.

In early 2014, the BP Team initiated a project to find a better process and tool. They evaluated a selection of software solutions, including proposals from their IT team to use a SharePoint plug-in and to develop a platform in-house.

HOW HYPE SOFTWARE HELPED

Late in 2014, HYPE was selected as the business partner for implementing and managing the platform. While the Business Performance Team was busy working with HYPE to deploy the platform, the Margin Improvement Team (MIT), composed of business/functional leadership, kicked off an effort focused on margin improvements. These processes ran in parallel for about two years. At the beginning of 2017, the two programs merged, with the Business Performance Team supporting both DBB ideation and the documentation of margin improvement ideas in the HYPE platform.

Known by employees as the “Margin Improvement Site”, the HYPE platform is now the central portal for all of ConocoPhillips Alaska’s margin improvement initiatives and for employee ideation (“Doing Business Better”). The Margin Improvement Team uses the platform to document and advertise margin improvement efforts, many of which have been implemented already by the time of the documentation. Ideas for “Doing Business Better” campaigns are submitted by employees directly to the platform, following the typical ideation process.

The Business Performance Team keeps idea campaigns focused to ensure they provide clear value. The Margin Improvement Team validates the savings presented in each idea. Weekly meetings provide an opportunity to review ideas and promote cross-functional sharing and awareness. Ideas are documented in the platform and aligned with one of six strategic areas in the Margin Improvement Site for tracking and reporting.

Benefits of the Margin Improvement Site to the leadership team and all employees include:

- “A Single Point of Truth” with business-critical metrics for campaign and business unit targets
- Portal for documentation and preservation of ideas
- Platform which facilitates a culture of idea sharing
- Process “enabler” for structuring and centralizing ideation
- Centralized dashboard which tracks progress towards the company’s annual margin improvement goals



The “Spotfire” dashboard provides a performance overview of the program

RESULTS AND FUTURE PLANS

The Business Performance team tracks core KPIs: these are also listed on the landing page. The stakeholders can drill down into the metrics by function where they have responsibility or oversight to see charts or specific data.

The most important metrics are around the financial impact of the campaigns on the capital expenditure, operations expense and production targets. These will change annually based on the fiscal objectives set out by the leadership team at the beginning of the year.

To date, millions of dollars in cash flow improvement initiatives are documented and promoted through the HYPE platform. The progress towards annual margin improvement goals is transparent for both employees and contractors. The HYPE platform has also been instrumental in promoting a culture of ideation across the company, providing a better way to convert ideas from employees from the office and field to concrete actions which both improve company profitability and contribute to "Doing Business Better".

"We are getting more Ideas as a direct result of the HYPE platform - we actually can quantify this and show the leadership team how the Margin Improvement Site has directly contributed to our goals. I can point to a dozen ideas in the system today which are there because we now have an outlet for people to publish them."

Joe Ramos



US Headquarters

HYPE Innovation, Inc.
625 Massachusetts Avenue
Cambridge, MA 02139
USA

Phone +1 617-401-7917
www.hypeinnovation.com

European Headquarters

HYPE Softwaretechnik GmbH
Trierer Strasse 70-72
53115 Bonn
Germany

Phone +49-228-2276-0
www.hype.de
