



**AMA**  
Asset Management Advocates

# Asset Management & Resource Optimization Analysis

At a mid-stream oil & gas company

**Case Study**

# Asset Management & Resource Optimization Analysis

## Objective

- Find >\$10M in efficiency within this midstream oil & gas organization without jeopardizing the effectiveness of their operations

## Approach

The AMA mantra is to dive deep into the data and let the data tell the story, not us. The reason is simple. AMA wants our clients to make the best data-driven decisions possible, remove subjectivity and drive results objectively. The decisions regarding benefits and areas of improvement will of course percolate to the top. Typically, the opportunities aren't a mystery to the organization. However, the depth, breadth, and overall impact of the opportunities to the organization may be.

AMA's philosophy is to focus on the exceptions, not the rule, look for the outliers, and take action to eradicate them to realize value. To determine the outliers within the business process execution, AMA employs an analysis method focused on EAM, SCM, FI/CO, and production data. Instead of focusing on typical high-level maintenance and reliability metrics like Schedule Compliance or Mean Time to Repair, etc., our analysis looks at the anomalies in business transactions, the outliers. Traditional maintenance metrics focus on the rule, not the exception, and leave managers without the ability to take immediate action or "fix" what is wrong based on the result of the metric. By identifying the outliers, action can be immediately taken to rectify business practices, which are impacting effectiveness and efficiency.

## Solution

Laying the groundwork and diving deep into the truth about the business activities through data has uncovered many areas of opportunity. The data showcases objective decision points, insights, and opportunities not subjective, tribal opinion-based observations. The data isn't debatable; however, the behavior which created the data is. Opportunities translate to efficiencies and a more effective operation, hence cost savings.

**Asset Strategies Analysis** - Review of Asset Management Strategies (using quantitative data analysis and qualitative superlatives) to optimize equipment reliability and human resource utilization (direct and indirect, employee and contractor).

**Work Management Analysis** - Tightly coupled to Asset Strategy analysis is a review of Identify, Plan, Schedule, Execute, Close and Analyze (IPSECA) processes to determine adherence to industry practices. AMA utilizes proprietary business process, master data and transactional data standards to measure and analyze data against. These standards are derived from years of experience across multiple industries and provide well-documented starting points for comparison purposes.

**Supply Chain Management Analysis** – Review the inventory management, procurement, and integrated maintenance practices across the our clients business. AMA will identify the supply chain opportunities with the intent to optimize the plant maintenance function and address inventory optimization.

## End Result

Within 3 months of analysis, AMA identified well over the goal of \$10M in savings year over year by just focusing on the outliers. The results were:

- Asset Management Strategy (*building long-term sustainability*)
- Work Management Process (*creating mid-term/long-term effectiveness and efficiencies*)
- Supply Chain Integration (*achieving short-term gains and long-term benefits*)



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