

# LUKOIL Overseas Optimises Capital Construction Project Management System with OpenText Solutions

OpenText helps LUKOIL Overseas enhance technical project documentation sharing with its departments and partners

**L**UKOIL Overseas Holding is a rapidly growing oil and gas company acting as international project operator for LUKOIL, a vertically integrated oil company. The company has a corporate centre in Moscow and subsidiaries and representative offices in 16 countries. At the present time, the holding company is managing several large oil and gas development projects in geographically scattered areas, employing outside contractors. It is expecting to undertake a large number of new projects in the near future, representing investments of tens of billions of dollars. One of the important factors in the successful implementation of such megaprojects is a smoothly running project document flow management system.

The acquisition of large oil and gas fields has made it necessary for LUKOIL to optimise its capital construction project management system, including in such areas as the preparation of large volumes of documentation and its structured storage.

## The OpenText platform as the technological basis for project documentation management

Capital construction projects always involve large volumes of contractor documentation which the operating company must review and coordinate. Taking into account the number of projects, their scale, and geographical spread, as well as the tight schedules and documentation quality

requirements, it becomes clear that unless it is automated, document flow could become a project bottleneck. Access to building documentation and decision-making history also plays an important role in the operation of production facilities, including when carrying out repairs and dealing with contingency situations. To guarantee the integrity, relevance, reliability, and safekeeping of project documentation at all stages of the project's lifecycle, the company needed a centralised system for managing project documentation.

Since 2009, the holding company has been using the OpenText Content Lifecycle Management solution as its management document flow control system. OpenText

## INDUSTRY

Oil and Gas

## CUSTOMER

LUKOIL Overseas Holding Ltd.

## PARTNER

Parma-Telecom

## CHALLENGES

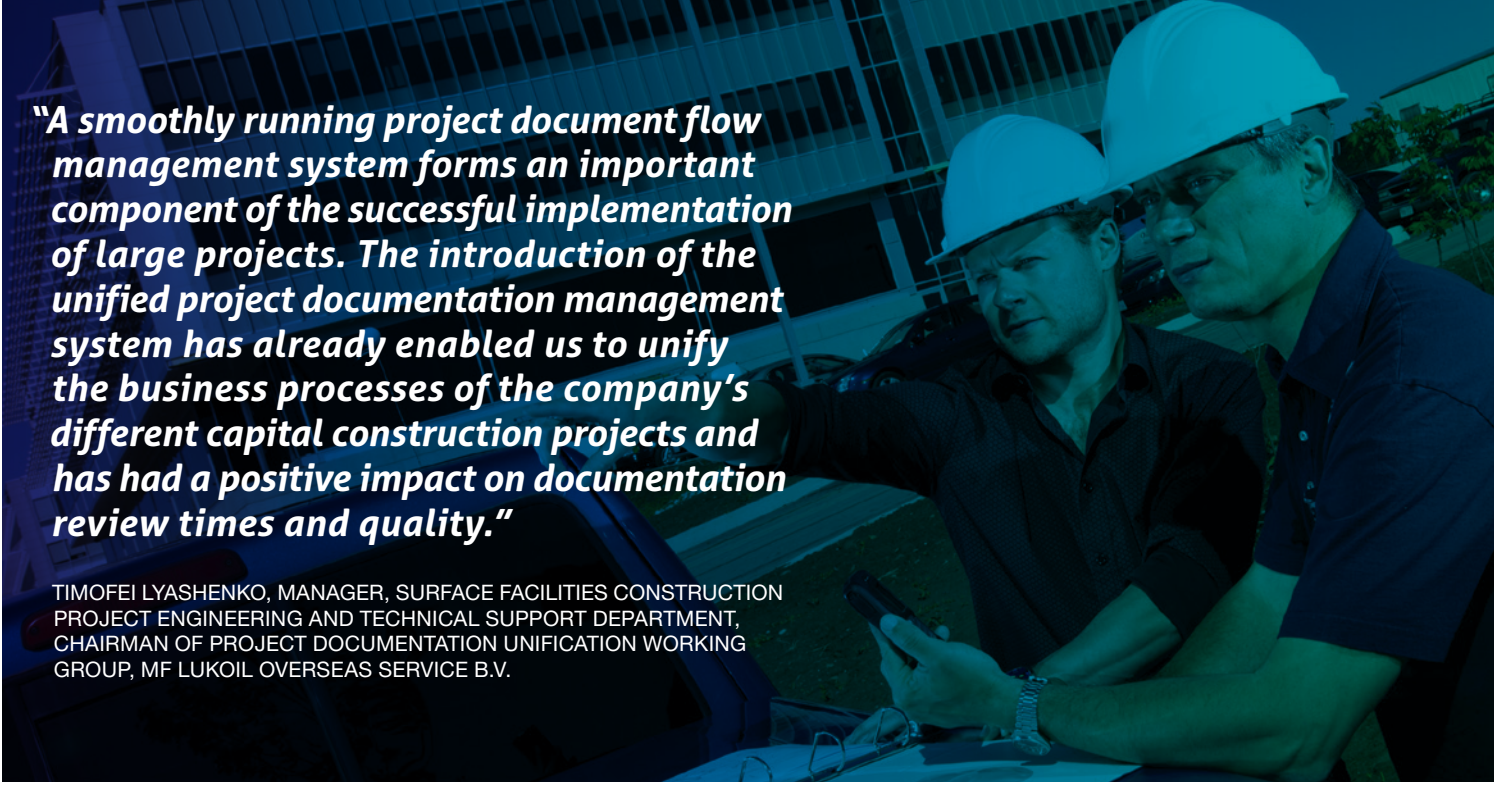
- Inefficient procedures for capturing, classifying, and coordinating technical documentation received from EPC contractors
- Difficulties with storing and accessing accumulated documentation for interrelated projects
- Impossible to trace full document change history

## SOLUTIONS

- OpenText Content Server
- OpenText Transmittal Management

## BENEFITS

- Centralised access to all project documentation including change history
- Automated process of sharing project documentation with EPC contractors
- Enabled employees of the company's geographically scattered subdivisions to work jointly on the documentation
- Made it possible to check whether users have carried out document coordination tasks



***"A smoothly running project document flow management system forms an important component of the successful implementation of large projects. The introduction of the unified project documentation management system has already enabled us to unify the business processes of the company's different capital construction projects and has had a positive impact on documentation review times and quality."***

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Content Server was integrated into its corporate system based on SAP® ERP 6.0. In early 2012, the solution was replicated at the holding company's main assets and currently has over 1,500 users in Russia, Uzbekistan, the Netherlands, the United States, Iraq, and the United Arab Emirates. All holding company enterprises connected to the system use the same document base, which greatly simplifies the performance of a range of business processes involving several enterprises. However, the functionality of the solution did not meet all enterprise requirements relating to the capture, classification, and coordination of project documents arriving from the EPC contractors, their structured storage, and efficient searching. To fine-tune the existing system, a new project was initiated in May 2012.

### **Making the most of lessons learned**

The implementation started with organizational change, consisting in the development of an integrated business process and the associated regulatory documents. A dedicated working group consisting of business and IT representatives was tasked with analysing the experience accumulated by the holding company's production assets and developing unified technical documentation processing procedures.

The existing software platform was augmented by the specialised module OpenText Transmittal Management and the OpenText Brava!® viewer tool, enabling users to comment both on pdf and engineering format documents. Parma-Telecom, whose specialists have a broad experience in international oil production company projects, was invited to participate in the project as a consultant. OpenText experts from the Czech Republic and Germany were involved in designing the system architecture and creating the optimum implementation version.

The first process to be modelled was the target process of managing project documentation flow. "Every capital construction project has its own way of processing technical documentation, closely linked to the special features of similar systems used by the contractors. We had the choice of modelling the business process from scratch, based on business logic and international best practice, or of identifying compromise solutions within the existing experience of project teams. Ultimately, we selected a project in Uzbekistan as our reference point, as that project had done the most work in the relevant area. The model was then gradually optimised and fine-tuned," says Ksenia Strebakova, a specialist from the Organisational Development Department of MF LUKOIL Overseas Service B.V.

In June 2012, LUKOIL drew up a Technical Specification (TS) describing the functionality and toolkits required by different user groups. The TS requirements were implemented by iteration; between July and September LUKOIL conducted four demonstrations of the prototype, gradually fine-tuning the requirements at each stage. The key functional requirements to the system included:

- Automating the process of accepting, recording, and verifying the comprehensiveness and accuracy of characteristics of the technical documentation transferred by the EPC contractor
- Generating documentation coordination tasks on the basis of the responsibility assignment matrix
- Collaboration on document processing between employees of geographically scattered holding company departments
- Checking whether users have carried out document coordination tasks
- Enabling users to comment on files of different formats
- Enabling searches for all categories of project documentation

The system was piloted in October-December 2012, when it was implemented in two projects being carried out at the



company's largest asset—West Qurna-2. The pilot operation period also provided an opportunity for user training, identifying additional system requirements and clarifying future system development plans.

The current stage of the work (April 2013) includes loading and structuring all historical data and adding new projects and assets to the unified project documentation management system.

The implementation process resulted in the creation of a tool, enabling LUKOIL to:

- Increase the efficiency of reviewing and coordinating project documentation in circumstances involving large volumes of information and geographically scattered project teams
- Allow structured storage of both the documentation itself and of the history of its coordination and subsequent efficient access to the documents if required
- Guarantee the integrity, relevance, reliability, and safekeeping of project documentation at all stages of the project's lifecycle

As part of the first phase of the project, LUKOIL automated the processes of sharing project documentation with contractors and of reviewing documents internally within the company. Later on, they plan to integrate the system with project management tools (Primavera), operations support systems (SAP Plant Management), geoinformation, and other systems. In 2013, LUKOIL plans to develop reporting blocks relating to implementation discipline and actual project indicators, create mechanisms to enable visual tracking of project progress within the system and make provision for structured exchange of project information between different contractors and projects (interface management). ■

 PARMA TELECOM

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