



 Drive Results.

Case Study: Complex Systems Engineering

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IBM Continuous Engineering: Solutions Executive



IBM



Introduction

Purpose of the presentation: Will be to illustrate how applied systems engineering and project management go hand in hand in delivering engineering projects successfully.

“and of course having the tools set to enforce the collaboration needed across engineering teams and disciplines”

This is a case study of a Joint Industry Project in the Oil and Gas Industry who needed improved collaboration around the design and delivery of a complex asset



Engineering is a collaborative eco system of teams



**We need to collaborate around the big picture design as one team.
To secure the quality of delivery we aim for**

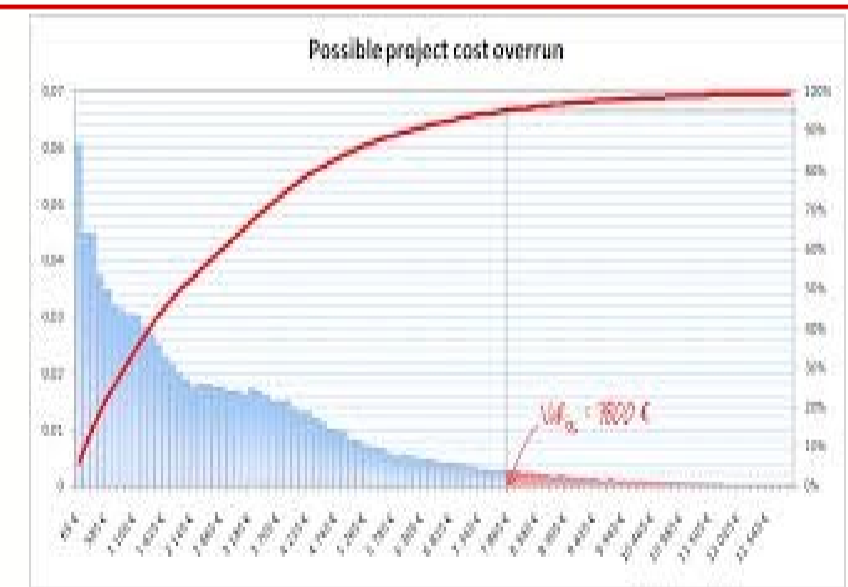


The Oil and Gas Industry

Systems Engineering, highlighted that the **embryo** of all designs starts with requirements mgt



Get this wrong and there are risks we just cant take



Platform Explosion Environmental Disaster

Project Over runs

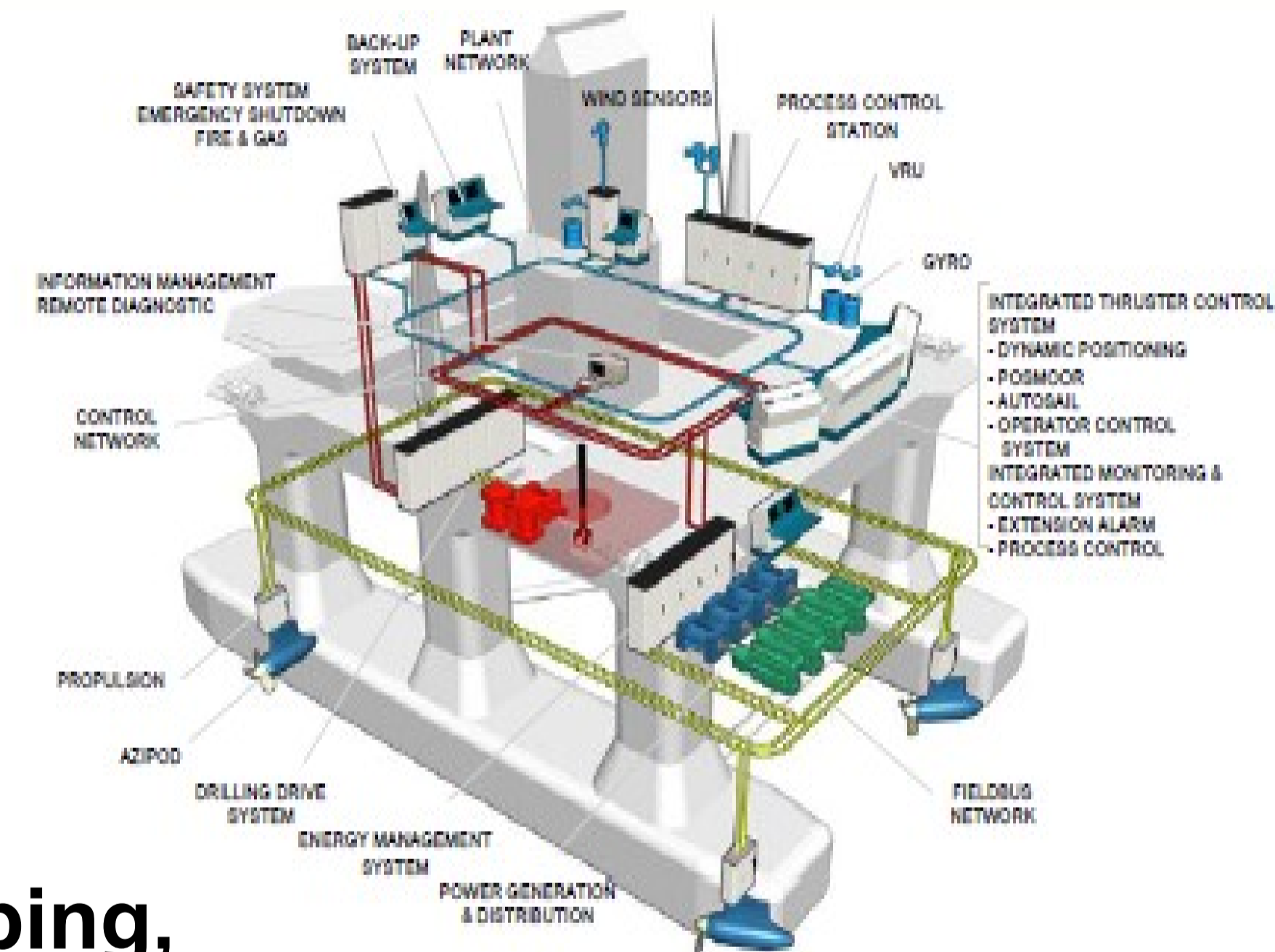
Production Down time

Complex Systems changes the risk picture for advanced platforms and sub sea production assets

+ Facts and Figures

- The **Blow out Prevention Control System** contains approx. 200,000 lines of code
- The **Dynamic Positioning System** contains 500,000 lines of code
- The **Drilling Control System** has more than 500,000 lines of code
- The **Power Management system**, the safety systems and the **Integrated Automation Systems** have together more than 380,000 lines of code
- This is without the **SCADA** communication systems

An experienced programmer can program, test and verify 10-15 lines per day !



Direct Challenges:

- **Developing philosophies for Designing, Developing, testing and integration of complex systems**
- **Collaborating across engineering teams and having complete control over engineering data and artifacts.**
- **Increasing efficiency across the life cycle of a System and SW assets**

How can Systems Engineering reduce these impact areas

Cost Overrun Causes	Impact/severity
Frequent design & scope changes	23.9%
Incorrect planning & scheduling by EPCs	17.8%
Delay in material procurement	11.8%
Fluctuation in prices of materials	9%
Underestimation of project duration	7.5%
Contract mismanagement	7.5%
Lack of communication	4.5%

Source: The future of oil and gas amidst persistent cost overrun-presented at ICCE Ottawa, Canada, Evans Akwasi Gyasi, PhD Researcher at The University of Warwick

 Caused by Incomplete Requirements Capture, Changing Government Regulations, Design Collaboration with WW distributed EPCs

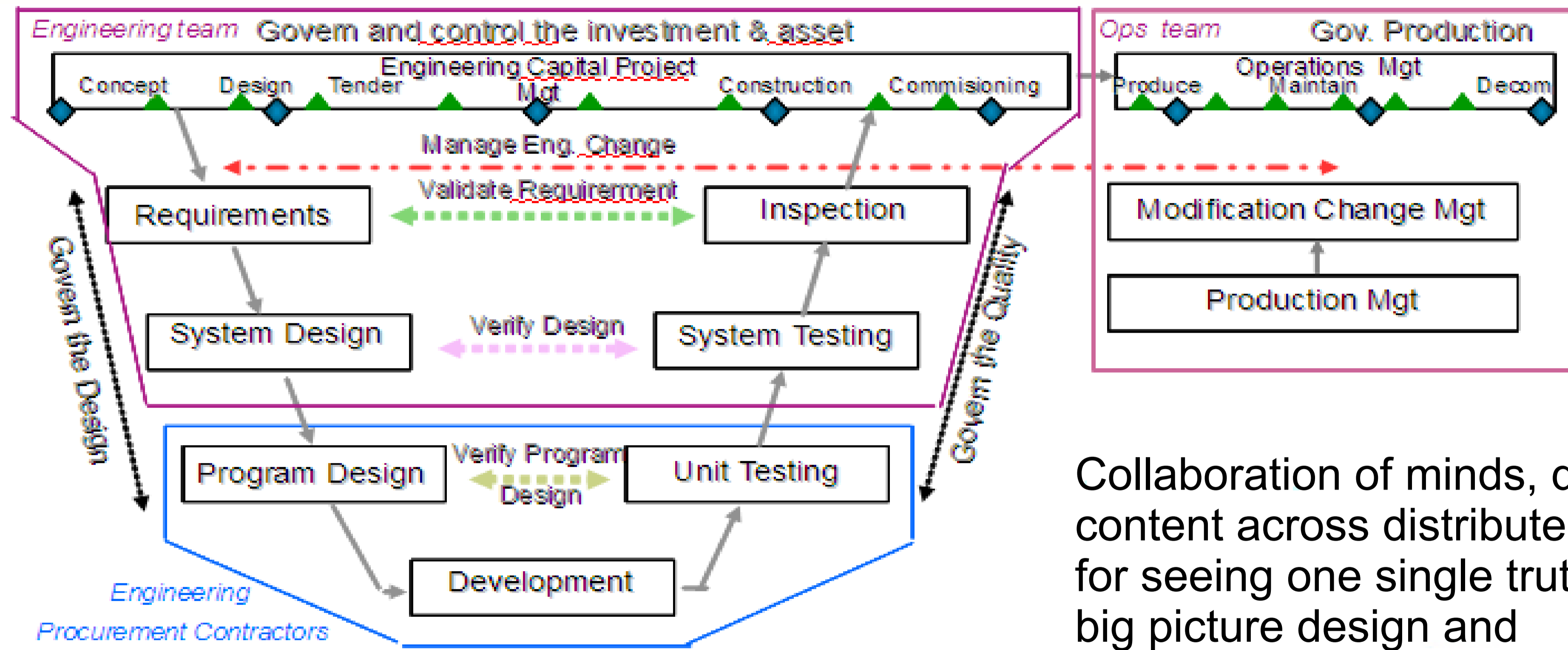
Total Estimated Cost of Project	Potential Over run of estimated cost calculated at (35%) of the estimated project cost	Impact of poorly managed requirements (12%) of the (35%) of the over run cost	Approx. Investment cost in IBM Solution	Potential savings within the project
\$ 650,000,000	\$227,500,000	\$27,300,000	\$3,250,000	\$24,050,000

* An example of potential conservative cost savings within a project*



Turning a process model and standard, Into day to day working methodologies...

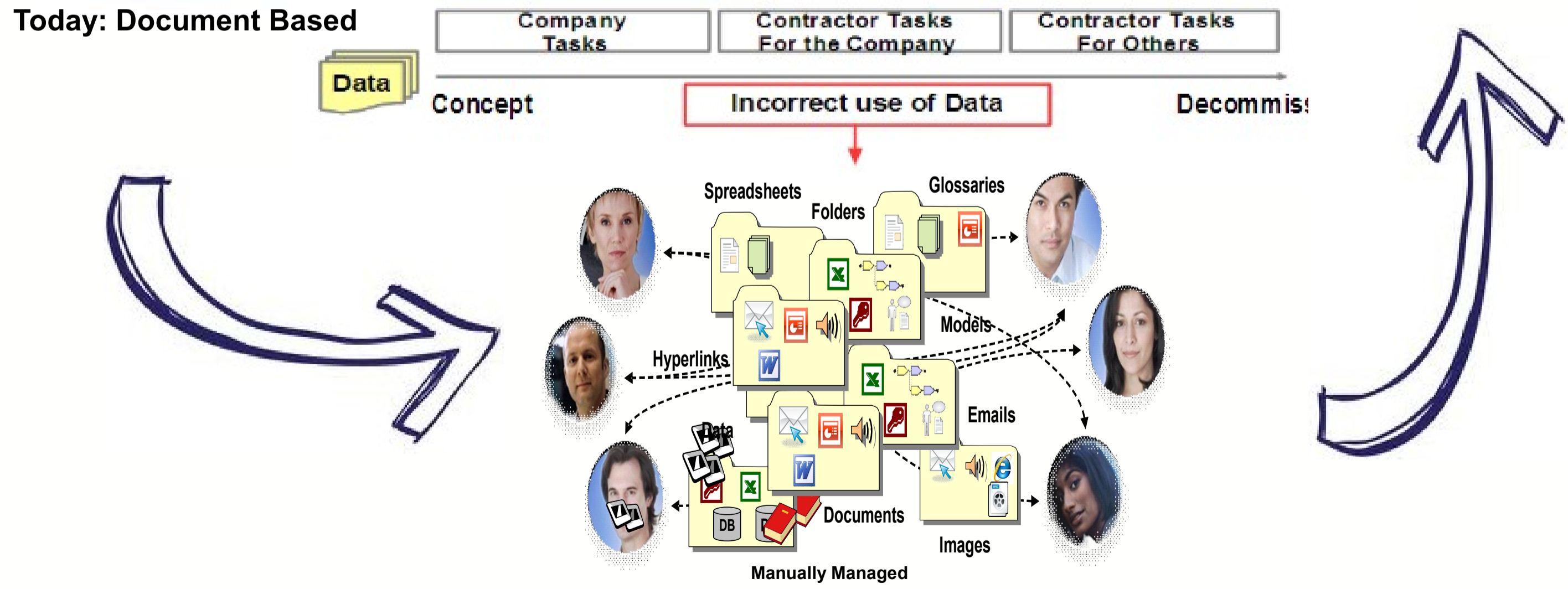
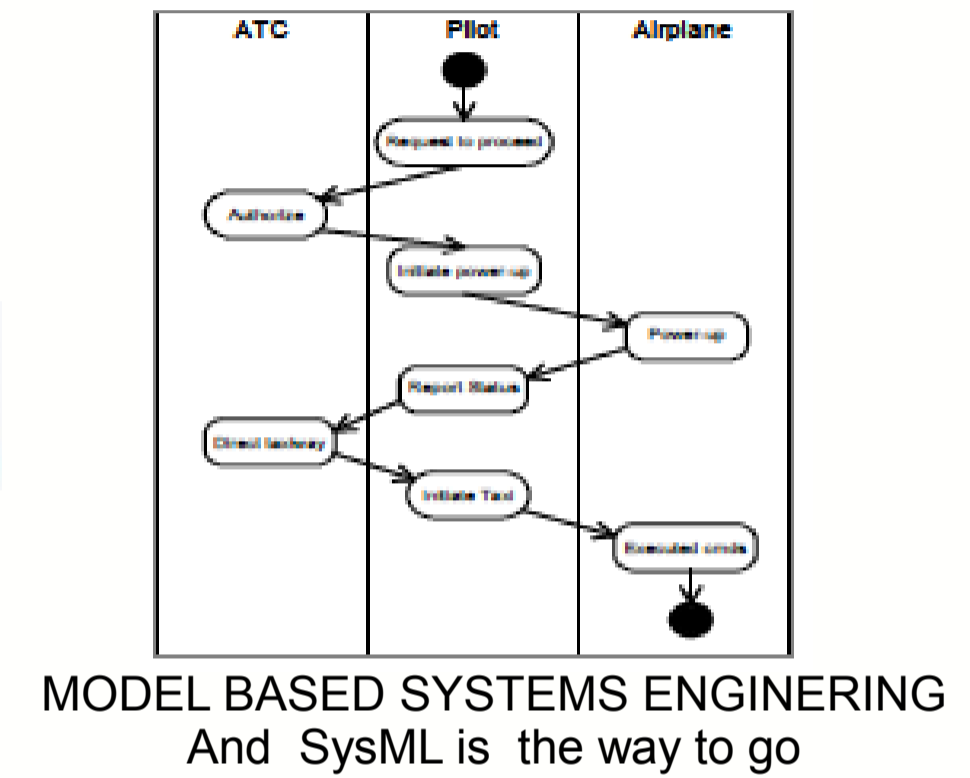
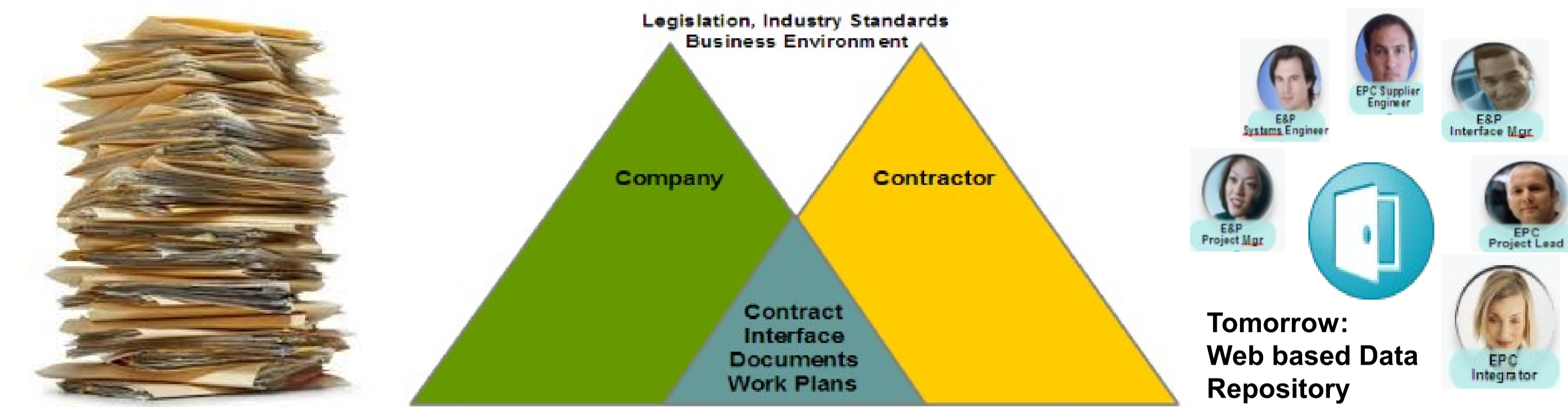
Systems Engineering across the lifecycle of an asset



Collaboration of minds, data & content across distributed teams for seeing one single truth of the big picture design and controlling change



Engineering is becoming a data centric task





Putting theory into practice "DEMO"

Offshore Drill Unit 1.0 (CM) * Auto-save Save

Project Information | Project Phase - Basic Engineering | Project Phase - Engineering | Technical Queries | Add Widget

Owner-Operator-Integrator Members (3)

- Fred Olsen (fredolsen@jip.com)
- HHI (hhi@jip.com)
- Statoil (statoil@jip.com)

Supplier - EPC Members (2)

- Kongsberg (k@jip.com)
- RollsRoyce (rolls@jip.com)

Offshore Drill Unit 1.0 (CM) Plans (2)

Current Iteration: **Engineering**

Engineering Phase [Engineering] Progress bar

Basic Engineering [Basic Engineering] Progress bar

Offshore Drill Unit 1.0 (CM) Events

- [3] Failing Test Case "Test Heave Compensation" (78) Yesterday
- [3] Design Heave Compensation (73) Last Week
- [15] Design the Top Side system (67) Last Week
- [11] Design Drilling Drives (72) Last Week

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My open Tasks (1)

- 70: Supplier Activities - Engineering Phase

My Work Item Changes

- [3] Failing Test Case "Test Heave Compensation" (78) Yesterday
- [10] Design the Top Side system (67) Last Week
- [5] Design Drilling Drives (72) Last Week
- [5] Update detailed signals on D-119 to D221 (75) Sep 26, 2014

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All Work Items (33) Owned By

Owner	Count
HHI	15
RollsRoyce	15
Statoil	3
Kongsberg	0
Fred Olsen	0

All Work Items (33) Priority

Priority	Count
High	10
Medium	15
Low	3
Unassigned	5

The Future of Systems Engineering ?

Systems engineering and Project Management have to become more interlocked disciplines within the enterprise and across the eco system of the supply chain.

Systems Engineering needs to become a strategic role within the Enterprise and a focus on enablement, process development and tooling is a must



The Internet of Things

As systems of systems, open API, connected devices and intelligent solutions becomes actual, Systems Engineering will take a new focus.

Modelling a larger system of system and finding the needed interoperability across an eco system of technology is going to be key !

Who will do this in your organisation !

