

## **Forming a new IT Strategy PMO for a Global Downstream Oil & Gas Business Operating in over 100 Countries**

### **Business drivers**

This case study will be of interest to IT leaders in large multinationals that face the challenge of how to prioritise and co-ordinate IT investment and activities across highly federated organisations. Given scarce resources, how do you make the trade-off between cross-organisation investments and individual business unit requirements?

### **Client**

Our project sponsors were the VP and the Chief Information Manager, Strategy & Integration, Digital & Communications Technology (DCT) for the downstream \$213 billion refining and marketing division of an oil and gas company operating in over 100 countries world-wide.



### **Client situation**

The VP, DCT, saw that a deep and clear formal strategy was absolutely critical to help him and the Chief information Manager define the DCT organisation's long-term direction for the next five years as well as establishing a sustainable process for managing it.



### **What we provided**

A Project Management Office (PMO) was set up to manage the strategy creation process and co-ordinate the work of a dedicated project team. Each work stream covering applications & architecture, sourcing & partnering, governance & metrics was led by a senior DCT manager supported by client staff, contractors and consultants.

### **Project outcome**

The strategy, which focused on transitioning the DCT organisation to a Global Service Delivery organisation, was delivered on time and to budget. It identified where standard architecture, applications rationalisation, supplier streamlining and high value project prioritisation could lead to cost efficiency and productivity gains resulting in an estimated \$500 million to \$600 million of benefits over five years.

Approval was given by the VP, his leadership team, the wider leadership team and the division's business leaders for the strategy to be implemented over a five year period.