

Fact Based Re-Engineering

Major Petroleum Pipeline Company



Treasury Effectiveness

Case Study

Situation

A major petroleum pipeline company had serious concerns about the effectiveness of the treasury group. Functionally, the group was responsible for controlling and managing taxes, capital expenditures, accruals, and property records. Because of a major reorganization, staff attrition, and complaints from operations, the client was concerned about the processes that were in place and the effectiveness of these processes in supporting the organization's and stockholder's needs. We were asked to define current processes and design new processes that would be more efficient and effective.

Project Objective

- Determine current processes and the organizational risk associated with them
- Redesign core processes to support the organization and stockholders with a high level of customer service
- Identify opportunities for increase efficiency and effectiveness while developing a plan to implement these recommendations

What We Did

- Lead a cross organizational client team to develop "as-is" process models and collect client performance data
- Facilitate a cross organizational team to design new processes and implementation plan
- Identified redundant and low value added process steps that could be eliminated short term
- Assessed the integrity of the client's records from a federal regulatory perspective
- Developed recommendations with the client for future system implementation efforts
- Performed an activity performance analysis of the Treasury group

Results

- Activity analysis identified \$135K in cost savings for the client by shifting focus and through activity consolidation
- Developed a robust and less error prone process for the client to reduce rework
- Developed a program to ensure customer satisfaction and requirements definition
- Developed a new process for the client to handle owner issues and requests for information