

CASE STUDY

BP

Fueling Performance Through Major Project Leadership

For the BP executives who lead major oil and gas projects all over the globe, challenges and opportunities exist on a dizzying scale. This global energy giant spends annually \$15+ billion on capital projects in 19 countries. That's more than the cost of "the Chunnel" from England to France or the 25-year price tag of Boston's Big Dig.

In 2003, the stakes in these major capital projects led the company to partner with the MIT Sloan School of Management and the MIT School of Engineering to design and launch the revolutionary BP Projects Academy. A dynamic collaboration of 10 BP executives and over 25 MIT faculty, this pioneering program gives the company's most experienced executives and its most talented leaders the resources they need to mitigate risk and maximize success.

The Projects Academy integrates a vast array of critical knowledge into one powerful, yearlong learning experience. MIT Sloan provides the management expertise, the MIT School of Engineering supplies the technical wisdom, and BP integrates essential context from the organization.

"We needed expertise in leadership, business acumen, and technical excellence," reports BP's Projects Academy director Jim Breson, "MIT brings to the table deep domain expertise in all three areas. Great thought leaders with rich industry experience who can communicate effectively with our participants. Their ongoing ties with industry give them a depth and breadth of research directly applicable to our goals."

In this collaborative venture, BP has brought together more than 150 of its major project leaders to develop new insights, challenge existing practices, and improve the delivery of major capital projects. These executives explore managing complex projects and attaining technical excellence. They address issues of personal leadership, team building, contract negotiation and supply chain management, technological risk, financial systems, cultural and geographic challenges, and overall project management.

Less a curriculum of book learning than a carefully calibrated set of frameworks, concepts, and tools, the Projects Academy is real-world, real-time, for real-impact. Three two-week immersive learning sessions take place

PROFILE

British-based BP has oil and gas projects in 26 countries, 9 recent mergers and acquisitions, and a market capitalization in excess of \$200 billion.

ACTION STRATEGY

Build a network of major project leaders with powerful project management skills to mitigate risk and maximize the success of BP's global projects.

LEARNING MECHANISM

A multifaceted learning experience that integrates content from MIT's top business and engineering faculty with BP's best managers and combines campus terms with team project initiatives.

RESULT

Many innovations leading to enhanced project leadership, increased capital productivity, and enhanced networking and collaboration—a program that has earned BP's prestigious Helios Award.



“At the outset we were looking for a symbiotic relationship—a lively collaboration in which both parties benefit. And that’s exactly what we’ve found with MIT. The Projects Academy has enriched the MIT faculty and its teaching, and it has infused critical ideas and concepts inside BP. It has inspired us to share and work collaboratively and has given us a more enlightened approach on how to manage projects. When a partnership like this works — it really works.”

Jim Breson
Founding Director
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on the MIT campus over twelve months. Throughout the year, participant teams tackle real initiatives, applying what they have learned to their own work. Peers from around the world do the analysis, share knowledge, and develop strategies to present as actionable recommendations to senior BP management. Their “assignment” is to help BP do a better job of major project management.

The Projects Academy has been recognized for its impact and was even featured in *The Financial Times*. But it’s not just the press coverage that has the executive suite celebrating, it’s the extraordinary results. In fact, BP recently honored the Projects Academy with its prestigious Helios “Best in Class” Partnership Award in recognition of the program’s “significant contribution to BP.”

“It’s been an extraordinarily successful program,” reports Breson. “Because of the degree of executive involvement, it has completely transformed within BP how we think about developing projects—and how we think about developing personnel.”