

# Risk Management in the Supply Chain for the Oil, Gas & Petrochemicals Industry

## INTRODUCTION

- The Oil, Gas & Petrochemicals Industry are subject to a wide range of risks. These range from external factors impacting on demand such as the world economy, and the rise of competing technologies, to internal risks such as environmental compliance and project over run, back down to the risks associated with Suppliers such as availability, quality and pricing of goods and services.
- Only by correctly identifying the risks in all areas of the supply chain can the Oil, Gas & Petrochemicals Industry protect itself when the supply chain threatens to break at a weak link.

This training course on Risk Management in the Supply Chain for the Oil, Gas & Petrochemicals Industry will highlight:

- Critical understanding of the internal and external risks in the Supply chain
- Planning and risk management

## OBJECTIVES

- Ability to manage risks as they arise
- Supplier relationship and risk management
- Examples of the use of Contractual Terms and Conditions to allocate risk

At the end of this training course, you will learn to:

- Provide an understanding of how risk arises along the supply chain
- Use different methods of identifying and assessing risk
- Review the impacts of different approaches to risk allocation
- Implement different Contract types to transfer risks
- Continually review risk management techniques during the life of a contract

## **TRAINING METHODOLOGY**

- This Risk Management in the Supply Chain for the Oil, Gas & Petrochemicals Industry training course will utilise a variety of proven highly interactive adult learning techniques to ensure maximum understanding, comprehension and retention of the information presented. The training course is highly interactive and will prompt delegates to reflect on their current practices and goals. The instructor will guide and facilitate learning using a wide range of methods including direct input, discussions, case studies and exercises in groups and pairs.

## **ORGANISATIONAL IMPACT**

- The organisation will be able to plan to avoid or minimise disruption to operations which result in costly shutdowns and lost production, and to minimise the need for expensive expediting. By looking ahead, the organisation should also be able to minimise ongoing costs of production and production support, thus enhancing profitability and efficiency.

## **PERSONAL IMPACT**

- Delegates will leave with a skill set that will allow them to anticipate, and then manage, risks that can lead to significant problems for their organisation. These skills can be applied in a range of roles and environments. Each delegate will create a personal action plan for immediate implantation.

## **WHO SHOULD ATTEND?**

This training course on Risk Management in the Supply Chain for the Oil, Gas & Petrochemicals Industry is suitable to a wide range of professionals but will greatly benefit:

- Supply Chain Professionals
- Contracts, Tendering, Purchasing, Procurement, and Project Personnel
- Contract Administration, Engineering, Operational, and Maintenance Personnel
- Risk, Claims, Financial, and Audit Personnel
- And all others who are involved in the planning, evaluation, preparation and management of tenders, specifications, awards, and contracts that cover the acquisition of materials, equipment, and services and who are in organizations whose leadership want high levels of competency in those involved in these activities

## **Course Outline**

### **The Supply Chain**

- Defining the Supply Chain
- Segmenting the Oil & Gas Supply Chain and Procurement
- Defining Risk in Process Industries
- Risk Assessment Process

## Managing and Transferring Risk

- Nature of Contracts
- Stakeholders in Risk
- Risk Management Tools
- Relationships and Risk Ownership
- Insurance

## Contractual Risk Management

- Types of Contracts
- Indemnities
- Insurance
- Contract Breach
- Contractual Remedies

## Dealing with Risk

- Ethics and Fraud
- Financial and Economics Risks
- Political and International Risk
- Environmental Risks Arising from the Oil and Gas Supply Chain
- Labour Disputes and other Personnel Risks

## Planning for Risk Management

- Risk Registers
- Force Majeure
- Disaster Recovery