Assuring Predictable & Sustainable Performance in a Global Delivery Context

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Air Liquide - Global Delivery Context

E&C Cryogenics
- 2,000 employees in 7 Engineering centers
  (* of which 4 have a Manufacturing center)
- Locations: Madrid, Houston, Champigny, Frankfurt, Vitry*, Madrid

E&C Lurgi
- 1,500 employees in 7 Engineering centers
- Locations: Montreal, Frankfurt, Vitry*, Krakow, Beijing, Harima*, Shanghai / Hangzhou*
World has changed…

- New geographies
- New customers
- New competitors
- Bigger projects

… and new ambitions
Competitiveness

Requires…

- In-depth market know-how
- Clever solutions
- Precise product definition
- Predictable Outfall Cost - Earlier
- Efficient scope adaptation
- Robust execution strategy – Risk Confidence
- Effective decision-making processes
- Innovation and Differentiated Products

…Disaggregated Solution-eering
Perspective on competitiveness…

1/ Technology

2/ Added Scope

3/ Construction

Offer

Capital

TK

OSBL

C

P

E

Just Enough

Turnkey

Just Enough
“C” is the major contributor to turnkey uncertainty, especially when plant size increases.
The product portfolio

Customized
- Solution
- Engineering
- Procurement
- Construction

Implement innovation
Maintain leadership

Standard

Copy
- Solution
- Engineering
- Procurement
- Construction

Save resources
Serial production
Reduced construction risks
Delivery time breakthrough

Expensive
Longer Delivery
Resource Consuming

Low Cost
Fast Delivery
Resource Saving

Leverage Low-Cost
Optimize Time-to-Market
Success Dynamic - Opportunities

Locality

Delivery Model

Product
Opportunities

- Disaggregated Delivery – Skill Access
- High Value/Low Cost Services - Competitiveness
- Standard Solutions – Pull Through Value
- Local Know How – Common success motivators
- Culture – Work Share Leverage
- People – Growth & Movement
- Value to the Customer – Best option, Best value
- Competitive advantage – Unique Offering
Success Dynamic - Risks
Risks

- Disaggregated Delivery – Tools & Methods
- High Value/Low Cost Services – Quality & Expectation
- Standard Solutions - Temptation
- Local Know How – Enough to be dangerous
- Culture – Yes means no
- People – Motivation & Engagement
- Value to the Customer – Not needed, Not wanted
- Competitive advantage – Half Life
Success Dynamic - Dangers

Locality

Delivery Model

Product

Success Dynamic - Dangers

Locality

Delivery Model

Product
Dangers

- Disaggregated Delivery – Failed Schedule
- High Value/Low Cost Services – Poor Quality
- Standard Solutions – Wrong Solution
- Local Know How – Failed Approach
- Culture – Improper Methodology
- People – Negative Mix
- Value to the Customer – Cost not Value
- Competitive advantage – Unexpected Impact
Keys to Success – Predictable & Sustainable Performance

- Early Customer Solution-eering
- Long term Strategy
- Simplification
- Innovation
- Options
- Motivate and engage the Employees
- …A Platform that Enables all the above….
Final Thoughts

- The future ain’t what it used to be
- Insanity is….same approach…expecting a different outcome
- ARE WE A LEARNING INDUSTRY?

And finally:

*This is a simple business if we do the simple things well*

*….it’s just not as simple as it used to be!*
Thank You

Questions?

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