

Session IV Towards Operational Excellence



Renzo Bee, TOTALGAZ, France chaired Session IV and introduced the following speakers

Lauro Cotta, SHV Gas Brazil – www.shvgas.com.br

G.A. Shirwaiker, Hindustan Petroleum Corporation (HPCL) - <http://www.hindustanpetroleum.com/>

Robert Shuttleworth, UK LP Gas Association - <http://www.lpga.co.uk/LPGA.htm>

Steve Ferro, Ferrellgas – www.ferrellgas.com

Lauro Cotta gave a presentation on “Dealer Network Redesign: A Systemic Approach and Shared Efficiency Gains”. He described the Brazilian market and its characteristics. The customer owns the cylinder in Brazil and can swap supplier at any time. The cylinder distribution chain has several tiers. Efficiency and standard alignment is key at SHV Gas Brazil and a project was carried out to find this in the dealer network Aligning SHV Gas Brazil to the best managerial and strategy practice through tools and knowledge transferred to each of the targeted dealers by commercial teams. Tool kits were assembled based on experiences and best practices identified from benchmarking exercises. Results noted were higher standards, team building and gains.

G.A. Shirwaiker described the “Benchmarking of Operations in LP Gas Bottling Plants” by HPCL in India with a view to enhancing further their productivity. The process and the performance were benchmarked against best practices. This led to enhancing employee skills, improving the systems (sales, payments online). Achievements are clear: Industry has unblemished record of accident free plant operations, complete interoperability of Plants and Equipment on Industry basis - resulting in cost optimisation and revision of cylinder mandatory periodicity – Savings of USD 6 million annually. This has therefore led to numerous industry and environmental awards as well as a vision for future bottling.

Rob Shuttleworth presented on “How the LP Gas industry can determine its Future” through training. He demonstrated some of the problems facing the LP Gas industry like that LP Gas was an afterthought to the national gas certificate scheme in the UK, the industry is losing LP Gas engineers and that the training structure is highly complex. He highlighted the opportunities and then introduced some solutions. The UK LP Gas Association would be a certificate body for example and could develop the full suite of competency assessments as well as introduce a training manual and many more initiatives. One of the key elements was that the associations are evolving and their roles have changed – they are more customer focused, more in tune with the bottom line and their force is their knowledge and information.

Steve Ferro discussed “Achieving Operational Excellence through Technology” something that he has been doing at Ferrellgas for fifteen years! He gave an overview of the Ferrellgas technology process that includes CRM management tool, demand forecasting system, delivery routing system, mobile technology offering advanced business intelligence at the Ferrellgas data warehouse meaning that everyone acts faster to the needs of the customer. The results speak for themselves!

Ferrellgas has reduced the number of delivery trucks by 17%; the number of drivers by 16%; the number of CSRs by 36% and the number of Field Managers by 80%.