

## Governing Energy

### Inflection—Reflection

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Those alive during a seminal historical event, for example, the assassination of President John Kennedy, or 9/11, will often remember years later exactly where they were and what they were doing at the time. Such is the power of a major change in a paradigm.

After the passing of time, we often have a different perspective about events that transpired before, during and after a notable incident. However, near term decisions will be made in direct response (fog of war environment) to an operational incident as well as the given changes to the regulatory environment and internal organizational policies afterwards. Reflection will come later.

For a major operational incident, the entire industry segment may be temporarily traumatized and most certainly the offending entity is forever imprinted, yet the *show must go on*. This is where organizational preparedness or “training” pays off.

An organization that is ready to rapidly respond<sup>i</sup> to non-normal events will in most cases fair better than ones who are ill prepared with a strategy based on HOPE “it doesn’t happen on my watch.” In 2005, Hurricane Katrina ransacked the city of New Orleans, Louisiana. In 2008, Hurricane Ike negatively impacted Houston, Texas for a while. Without arguing the geographical differences between these Gulf Coast metropolitan areas, behaviors during and immediately after these seminal events were different. So were the near and long term impacts.

Which brings us to Japan, 2011. How bad could it get? An earthquake of Biblical proportions, a horrific Tsunami and loss of a nuclear power plant facility. Three strikes and this society is not out! Historians and countless prognosticators will analyze, criticize, lament and all of us will learn from what was in place beforehand, how effective the immediate response was, and finally what was the long term impact of this paradigm shift.

Reflecting on the past, we may seek the nostalgia of the way things were (or they way we think they were), but more importantly we must learn. The often repeated quote attributed to George Santayana, “Those who do not learn from history are doomed to repeat it”<sup>ii</sup> sums it up.

Mathematicians define an inflection point as a major change in the shape of a curve—a past event. How one reflects on this transformation and makes adjustments is the future.

**How prepared is your organization for a seminal event and what will its response be during, on day two and on day two hundred?**

## About the Author

Dr. [Scott M. Shemwell](#) has over 30 years technical and executive management experience primarily in the energy sector. He is the author of two books and has written extensively about the field of operations management. Shemwell is also the CEO of Knowledge Ops, Inc; a firm that focuses on providing its customers with solutions enabling operations excellence and regulatory compliance management.

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<sup>i</sup> <http://www.scribd.com/doc/11792098/Rapid-Response-Management-Thriving-in-the-New-World-Order>

<sup>ii</sup> [http://thinkexist.com/quotation/those\\_who\\_do\\_not\\_learn\\_from\\_history\\_are\\_doomed\\_to/170710.html](http://thinkexist.com/quotation/those_who_do_not_learn_from_history_are_doomed_to/170710.html)