Governing Energy

Renewal

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Every New Year, individuals and organizations take time to reflect on lessons learned and refocus on the future. In January 2012, this author met with the publisher and editors of PennEnergy to begin this blog. Our intent was to focus on those areas that are sometimes underserved regarding the need to extend the governance model directly to field operations.

As we begin the second volume, we reflect on how much progress has been made with the foreknowledge of how much there is yet to do. Perhaps no difference from any other human endeavor whether the annual commitment to lose weight again or the beginning of another corporate fiscal year.

Throughout this past year, this author reviewed learning, knowledge and good practices from other sectors that might have applicability in heavy industry segments. Discussions included aviation mishaps, human behavior, use of information technology, mental models and the challenges the offshore petroleum sector faces with the Safety and Environmental Management Systems (SEMS). Hopefully nuggets of value were contributed to the dialogue.

We expect to continue this approach this year. In addition, we plan to discuss business and mental models on the subject in greater detail from time to time.

In 1993, this author published *Management Theory—Evolution Not Revolution*. The basic premise of this academic, peer reviewed article is that human knowledge in a field grows over time. The article is still relevant; as of this writing it has been viewed over 12,600 times as well as *readcast* and *embedded* on the online library, Scribd. "

This model applies to field operations and organizational governance as well. Capitalizing on the knowledge of those that preceded us is a prudent and cost effective practice.

There is a substantial body of applicable knowledge in ISO (International Organization for Standardization)ⁱⁱⁱ as well as The Institute of Asset Management,^{iv} Project Management Institute^v and other organizations. It is beneficial to review these bodies of knowledge for applicable ideas.

Some might accuse this line of thinking as academic or esoteric and not applicable to the real world of business. I would argue otherwise. When sound engineering practices are ignored or shortcuts taken, the bridge often falls down.

So it is with sound managerial practices. Organizations fail at their mission and sometimes fail completely when basic knowledge learned over human history is ignored or repudiated because of

perceptions of being too bookish. The other often cited excuse is, "I don't have time." Boards may take a dim view of this rationale this year.

What other Bodies of Knowledge can you take time to learn from?

About the Author

Dr. <u>Scott M. Shemwell</u> 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.

End Notes

¹ http://www.scribd.com/doc/13395793/Management-Theory-Evolution-Not-Revolution

http://www.scribd.com/

iii http://www.iso.org/iso/home/about.htm

iv http://theiam.org/

v http://www.pmi.org/