

OHROS Consulting Group

Opportunity Confirmation Program



COMPANY

The firm, a refinery based in **North-West Europe**, provides fuels and heating oils and has an annual processing capacity of up to **5 million tons** of crude oil.

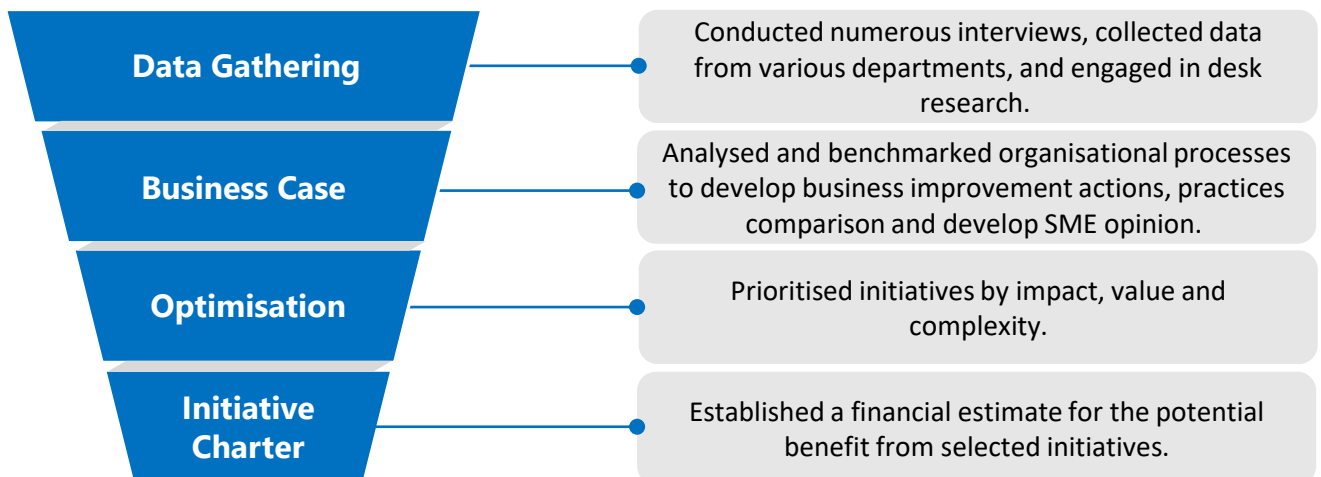


CHALLENGE

The refinery recently completed a successful turnaround, however, they found themselves in a relatively isolated situation. This posed challenges in keeping up with the latest developments in best practices, tools, and processes. As a result, leadership is interested to identify potential **business value opportunities** from a more strategic perspective. Therefore, the client embarked on an Opportunity Confirmation Programme (OCP) to review and optimise their procurement and asset (management) strategy, maintenance processes, and operational refinery processes.



Approach





Financial Performance Benchmark

As part of the OCP, OHROS Consulting Group performed a financial performance benchmark. To achieve this, OHROS utilized the **OHROS Performance Model (OPM)** for refineries, and compared the financial performance to similar size and complexity refineries globally. The benchmarking results revealed significant potential for financial improvement, identifying a:

- **4%** absolute return on equity (ROE) gap to the **industry average** and
- a **47%** absolute ROE gap to the **industry best performer** of similar size and complexity.



Results

The OCP revealed multiple areas for improvement in reliability, operational performance, and financial outcomes based on multiple observations:

- Predominantly implicit **Asset Management process**
- **Reliability and area engineers** focus on singular disciplines, rather than accumulating cross-disciplinary knowledge
- The organization primarily relies on a top-down approach for **risk and opportunity management**
- There is no attention paid to the succession of **critical roles, competencies and skills**
- The **procurement handbook** lacks a clear sourcing methodology aligned with the current tight market for maintenance services.

Following the outcomes of this study, a series of initiatives have been formulated, categorised according to their impact, value, and complexity:

Short-Term Opportunities

~€0.14

per barrel

Medium-Term Opportunities

~€0.08

per barrel

Major Structural Transformations

~€n/a

per barrel