

Best-in-Class Business Performance

Overview

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About the speaker: Walter Pesimali

- 1 35 years of **downstream and petrochemicals experience** with ExxonMobil, Chevron, Shell, BP, a Big Four consulting firm, and currently Vice President of Manufacturing Excellence at NOVA Chemicals
- 2 First-hand **experience with operational excellence, asset management, and digital and capital projects**
- 3 Developed and implemented a plethora of business transformations, **reducing risk exposure and saving** \$50 to \$1,400 million per year
- 4 **Executive MBA and BS in Business Administration** from Pepperdine University, **BS in Industrial Engineering** from UCLA, and **Petroleum Technician Certification** from INAPET



Today's discussion

WHAT WE KNOW

- To stay competitive, improvements are needed
- People are the most significant requirement to create sustainable change

WHAT WE'LL DISCUSS

- Gain leadership buy-in for performance improvement
- Assemble the right team to create the pull and develop solutions
- Engage the organization to identify and develop solutions
- Looking back and forward overcoming key OE Implementation challenges
- Integrating people, processes, and technology as the driver in the quest for Operational Excellence

**IN ORDER TO ACHIEVE AND SUSTAIN BEST-IN-CLASS PERFORMANCE,
COMPANIES NEED TO EMBRACE PEOPLE THROUGHOUT THE JOURNEY**

Gain leadership buy-in for performance improvement

01

Align with **organizational goals and objectives**

02

Collect **supporting data and evidence**

03

Clearly define specific **goals and timelines**

04

Show the **return on investment (ROI)**

05

Highlight **benefits for the organization**

06

Address **concerns and objections proactively**

07

Engage key stakeholders in the planning process

08

Provide a **small-scale pilot or test period**

09

Communicate persuasively with a compelling presentation

10

Showcase **industry best practices and successful examples**

11

Be **adaptable and open to feedback**

12

Provide a **straightforward implementation and monitoring plan**

13

Celebrate early successes or quick wins

14

Measure and report progress regularly

LEADERSHIP BUY-IN IS AN ONGOING PROCESS THROUGHOUT THE PERFORMANCE IMPROVEMENT JOURNEY

Assemble the right team to create the pull and develop solutions for performance improvement

1. Define the **objective clearly**
2. Identify **key stakeholders**
3. **Select team members with relevant expertise and skills**
4. Assign clear **roles and responsibilities**
5. Foster open **communication and collaboration**
6. Provide **necessary resources and support**
7. Set **realistic milestones and deadlines**
8. **Monitor progress** and adapt as needed
9. **Celebrate achievements and learn from failures**

- Subject Matter Experts (SMEs)
- Cross-functional representation
- Problem solvers and innovators
- Data analysts/scientists
- Change management experts
- Project management and organizational skills
- Leadership and decision-making skills

A SUCCESSFUL TEAM REQUIRES A SUPPORTIVE ENVIRONMENT
WITH EFFECTIVE COMMUNICATION AND ONGOING FEEDBACK

Engage the organization to identify and develop solutions for performance improvement



THE PERFORMANCE IMPROVEMENT PROCESS REQUIRES ONGOING COMMITMENT AND ADAPTATION TO STAY COMPETITIVE LONG-TERM

Looking back and forward: Overcoming key Operational Excellence implementation challenges for performance improvement

Looking back: Past challenges

1. Resistance to change
2. Lack of leadership support
3. Inadequate training and skill gaps
4. Inconsistent communication
5. Insufficient data and measurement
6. Cultural alignment
7. Lack of clear metrics and KPIs
8. Scope creep and over-complexity

Looking forward: Strategies for success

1. Strong leadership and commitment
2. Employee engagement and training
3. Clear communication
4. Data-driven approach
5. Cultural integration
6. Focus on critical metrics
7. Iterative implementation
8. Sustainability and continuous improvement
9. Feedback loops and adaptation
10. Celebrate successes and learn from failures

**THROUGH THESE STRATEGIES, ORGANIZATIONS CAN PAVE THE WAY
TO SUCCESSFUL OPERATIONAL EXCELLENCE, LEADING TO
SUSTAINED PERFORMANCE IMPROVEMENT**

Integrating people, process, and technology as the driver in the quest for Operational Excellence

Integrating people, processes, and technology is critical to achieving Operational Excellence. This approach recognizes their interconnectedness and emphasizes their harmonious collaboration for optimal organizational performance.

PEOPLE

Focus on skill development, empowerment, engagement, and collaboration. Well-trained and empowered employees who communicate effectively and work together contribute significantly to OE.

PROCESS

Establish **standardized procedures, prioritize continuous improvement, track key metrics, and leverage automation for efficiency.** These measures ensure consistency, reduce waste, and enable streamlined operations.

TECHNOLOGY

Align investments with business objectives, prioritize integration and interoperability, utilize data analytics for insights, and stay innovative. Technology should support and enhance the execution of defined processes.

BY INTEGRATING THESE ELEMENTS, ORGANIZATIONS CREATE A SYNERGISTIC ENVIRONMENT, DRIVING A CONTINUOUS CYCLE OF IMPROVEMENT AND ULTIMATELY LEADING TO SUSTAINED OPERATIONAL EXCELLENCE

Growing people and building habits: Why Operational Excellence is not just about the tools

01

Empowerment through education: A deep understanding of processes empowers individuals for informed decision-making and continuous improvement.

02

Cultural shifts: A culture of excellence involves a growth mindset, accountability, and commitment to quality.

03

Adaptability and innovation: People drive innovation and adaptability, necessitating a growth-oriented environment.

04

Behavioral patterns and habits: Sustainable excellence relies on consistent positive habits cultivated through training and practice.

05

Problem-solving skills: Effective tools require solid problem-solving skills developed through training and experience.

06

Team collaboration and communication: Seamless teamwork and clear communication are foundational to excellence.

07

Leadership and role modeling: Leadership sets the tone, inspiring others through exemplifying desired behaviors.

08

Feedback loops and continuous improvement: A culture of excellence hinges on feedback for learning, celebrating successes, and refining processes.

09

Ownership and accountability: Feeling ownership over work fosters responsibility for its success and quality.

10

Resilience and adaptation: Adapting and remaining resilient is vital in dynamic environments, cultivated through individual and collective growth.

TOOLS AND TECHNOLOGIES ARE IMPORTANT ENABLERS OF OPERATIONAL EXCELLENCE; THEY ARE NOT THE SOLE DRIVERS

Three key take-aways

1

The main success factors with implementing operational excellence are:

- People
- Business culture

2

Business case needs to be well-defined and must be stewarded and consistently communicated.
Adjustments are inevitable.
Flexibility is key

3

Well-integrated people, processes, and technology lead to sustained operational excellence





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Best-in-Class Business Performance – *Case Study Request*

In 2022, Walter Pesenti joined NOVA Chemicals as Vice President of Manufacturing Excellence; over the past 12 months, he has established a standard set of best practices and performance benchmarks for best-in-class business performance and ensure engineering integrity and applicable processes are in place. In this case study,

Walter will explore:

