



# Game-Changing Improvements in Operational Management

## World Energy interviews Michael Aghajanian, PRTM managing director, Western United States and Asia

**World Energy:** For those readers who may be unfamiliar with PRTM, would you provide a brief history of your company?

**Aghajanian:** Since 1976, PRTM has helped Fortune 1000 companies find new ways to operate that achieve market leadership. We work with business leaders to develop, and then implement, the operational strategies that link business strategy to execution. We are leaders in the development of proprietary intellectual property that enables our clients to achieve breakthrough results. Our global footprint enables PRTM to support the worldwide needs of our client base. Consequently, our repeat business rate is more than 90 percent.

**World Energy:** How do you differ from other management consultancies in the energy industry?

**Aghajanian:** PRTM focuses on key operational growth drivers including capital productivity, operations effectiveness and efficiency, innovation and technology advancement, and customer acquisition and retention. We are all about delivering results quickly.

**World Energy:** What's the profile of a typical PRTM client?

**Aghajanian:** The typical PRTM client is seeking to capitalize fully on or improve their operational strategy. An increasing number are aspiring to create operational strategies that deliver operational innovation, such as game-changing improvements that will deliver increased profitability and shareholder value. They are working with PRTM both as a thought partner and as an implementer. Working in this way, we deliver measurable results quickly and provide lasting value.

**World Energy:** How does PRTM deliver on operational strategy?

**Aghajanian:** PRTM translates business strategy into differentiated operating approaches for our clients, incorporating best practices from every major industry sector. We do this through small, seasoned project teams that combine deep, functional subject-matter expertise with extensive industry experience.

**World Energy:** Would you provide an example of how you delivered on a client's operational strategy?

**Aghajanian:** A leading manufacturer of critical oilfield equipment was struggling to meet soaring market demand.

Filling customer orders was taking nearly five weeks to complete. Meeting orders more quickly required changes throughout the delivery value chain. The results of our efforts differentiated the company from its competitors. Rather than taking five weeks to fill an order, it could now be done in less than a day. This was accomplished without adding people or inventory.

**World Energy:** What are your service offerings?

**Aghajanian:** We focus on four service offerings that are directly aligned with key operational growth drivers for the energy industry: capital asset management; technology and product development; site, network and supply chain optimization; and customer life-cycle management.

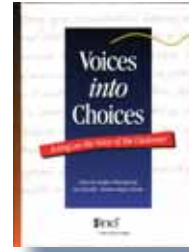
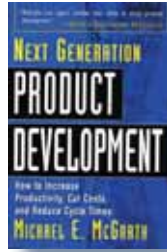
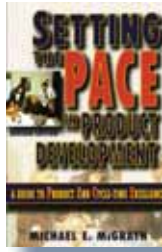
**World Energy:** How is your approach different from other consultancies with similar offerings?

**Aghajanian:** PRTM's approach is to drive quickly to implementation through fact-based analysis. We ardently measure both performance and processes in the client's operations, then objectively compare those to what we know are best-in-class practices and results. We have time-tested proprietary frameworks that correlate practices to performance. Through these models, we deliver a clear picture of which operating and financial benefits our clients can capture by making focused changes to their businesses. Then, we roll up our sleeves and work side by side with our clients to implement these changes and capture the value for their shareholders.

**World Energy:** Tell us more about your proprietary frameworks.

**Aghajanian:** In the area of technology and product development, we developed Product and Cycle-time Excellence® (PACE®), in use at hundreds of leading companies around the world. PACE has enabled unprecedented advancement in getting breakthrough products and/or services to market quickly, as much as 40 to 60 percent faster, while generating 20 to 40 percent increased revenue and 50 to 80 percent less wasted research and development (R&D) spending. Results like these have led companies like DuPont to implement PACE across their global R&D networks.

Similarly, we created the global standard Supply-Chain Operations Reference-model (SCOR®). SCOR is now in the public domain after we transferred it to the multi-industry



Supply-Chain Council, which we co-founded. We still hold the largest repository of supply chain performance data, however, with more than 1,000 companies entering their metrics and practices into our database to benchmark themselves against best-in-class performers in their own or across industries. Access to the practices information has allowed PRTM to develop deep insight into how companies achieve leading supply chain performance. We have built proprietary supply chain maturity models from this insight, which we employ to help client executives clearly see the path forward for their own company.

**World Energy:** The energy industry is enjoying tremendous activity and profitability. How can PRTM help those in the industry make the most of this situation?

**Aghajanian:** This industry continues to face critical operating challenges – from breaking through the current supply chain logjam in E&P, to optimizing the production and distribution of ultra-low-sulfur diesel in the R&M sector, to finding new ways to differentiate products and services in the petrochemicals marketplace. PRTM is the consulting firm that can innovate and implement ways to turn these challenges into opportunities.

**Robert Peebler**  
**President and CEO**  
**Input/Output, Inc. (I/O)**



*I/O provides cutting-edge seismic acquisition equipment, software, and planning and seismic processing services to the global oil and gas industry. While developing our next-generation cableless land seismic acquisition system, FireFly™, we realized that effective product and program management were critical to delivering on our customer promise of game-changing performance and productivity at a very low total cost of ownership.*

*We called on PRTM to help us apply the product development best practices learned through their numerous engagements across a wide range of industries. We were impressed with PRTM's fact-based, full-immersion approach. They quickly assessed the program and helped us define clear performance objectives based on industry benchmarks. PRTM then helped us develop a tactical plan for closing gaps and ensuring our launch commitments.*

*FireFly™ is a trademark of Input/Output, Inc.*

### PRTM-Affiliated Organizations and Subsidiaries

**PDMA:** The Product Development & Management Association ([www.pdma.org](http://www.pdma.org)) is a nonprofit cross-industry gathering of people interested in the study and practice of product development. PDMA has 2,500 members in 32 countries and offers an international conference annually. PRTM has extensively contributed to PDMA thought leadership, including authoring chapters in the *PDMA ToolBook*.

**Supply-Chain Council:** The Supply-Chain Council ([www.supply-chain.org](http://www.supply-chain.org)) was founded in 1996 by PRTM and Advanced Manufacturing Research with a group of 69 companies. Today, at more than 1,000 members, it is a not-for-profit global corporation open to all companies and organizations interested in applying and advancing state-of-the-art supply chain systems and practices.

The organization has adopted and endorsed the Supply-Chain Operations Reference-model (SCOR) developed by PRTM and Advanced Manufacturing Research as the cross-industry standard for supply chain management.

**Performance Measurement Group:** PRTM keeps ahead of the best-practices curves by conducting benchmarking studies through an online service offered through its subsidiary, The Performance Measurement Group, (PMG; [www.pmgbenchmarking.com](http://www.pmgbenchmarking.com)). Formed in 1998 and built over a decade of benchmarking studies conducted by PRTM, PMG offers a database containing the most in-depth and complete set of benchmarking data available for product development and supply chain management.

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