Can Owners and Contractors Ever Align on Risk?
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Moderators

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Different Views Through the Risk Lens

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<tr>
<th>Subject Matter Expert</th>
<th>Owner</th>
<th>Contractor</th>
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<tr>
<td>Dr. Graham Hawkins</td>
<td>Chevron</td>
<td>Deryl Earsom</td>
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<td>Mike McAtee</td>
<td>BASF The Chemical Company</td>
<td>Ralph Biedinger</td>
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Where are we today? How well are we aligned?

- Base Camp?
- Camp II? (25%)
- Camp III? (50%)
- Camp IV? (75%)
- Camp V? (Summit)

How would you rate our risk management capabilities and effectiveness?

How would you rate our alignment?
How well are we managing risk today?

- Only 2.5% of projects can be defined as successful
- 65 – 75% fail to meet business objectives
- 80% of organizations have unpredictable and/or poor performing projects
The Risk Landscape has changed

- **External Risks**
- **Non-Technical Risks**
- **Organizational Risks**
- **Project Risks**

![Upstream Capital Cost Index (UCCI)](chart.png)

- Source: RMS CERA
3 Themes for Today

- New risks
  ... new thinking

- New ways
to align and collaborate

- New challenges & opportunities
How have the risks that projects face changed over the past 10 years?

Theme 1: New Risks, New Thinking
Theme 1: New Risks, New Thinking

How has the thinking about project risk management changed?
How have the ways that owners and contractors approach risk management evolved?
Theme 2: New Ways to Align and Collaborate

What are the biggest barriers to alignment and how are owners and contractors overcoming them?
Theme 2:
New Ways to Align and Collaborate

Q&A
What will be the sources and severity of project risk 5 years from now?
Theme 3: New Challenges and Opportunities

What should owners and contractors – individually and collectively – do to improve risk alignment going forward?
Theme 3: New Ways to Align and Collaborate

Q&A
Thank you

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