

Pioneering research unveils new method for quantifying people-related risks within the LNG industry

April 16 2014, by Rose Trapnell



Dr Karen Becker (right) and researcher Michelle Smidt have identified the 'people risks' facing the oil and gas industry.

Queensland University of Technology (QUT) has joined forces with global workforce solutions provider Air Energi Group, to develop a solution to one of the biggest challenges facing the oil and gas industry worldwide - identifying and analysing workforce-related risks.

This follows the publication of a ground-breaking report entitled 'Workforce Related Project Risks', which is based on in-depth

interviews with a wide cross-section of international industry experts.

The report identifies the six core areas of 'people risk': [project](#) appeal, recruitment, induction and onboarding, retention, reassignment and demobilisation, and compliance, with the overarching risk of being unable to deliver a project on time and within budget.

The report findings have enabled the development of a tool to evaluate the people risks related to Australasia's LNG sector, particularly involving a contingent workforce.

Lead researcher for the project, QUT Business School senior lecturer, Dr Karen Becker, said a preliminary trial of the online tool had proven successful and a large-scale trial is underway.

"The [online tool](#) will enable project managers to pinpoint the particular workforce challenges that are likely to occur on a project, so they can develop strategies to deal with them," Dr Becker said.

"With an unprecedented level of LNG projects in the pipeline, there are concerns that workforce costs and continued personnel shortages could contribute to further project delays or cancellations. This will be critical to the future development of projects in Australasia and the booming LNG markets of North America and East Africa," states Matt Smith, Global LNG Development Director, Air Energi.

"Australia's current LNG boom will last through to 2018, therefore attracting and retaining personnel will remain very competitive," continues Mr Smith.

"The cost overruns and schedule delays being experienced in Australia's LNG sector currently are just as applicable to any industry and region where projects have capital-intensive and highly technical requirements.

This is why it is so important that businesses take these lessons learned, and think differently about identifying and managing their people-related risks, particularly in large and complex projects."

QUT Researcher Michelle Smidt, said the tool currently being developed would enable the development of an overall workforce risk profile for each project.

"While risk analyses are often completed for workplace health and safety aspects of projects, we believe this is the first time a tool has been created to enable the development of the 'people risks' involved in all stages of a project," she said.

"The [tool](#) will help managers understand at what stages and why their 'red flag' challenges will occur."

More information: The report is available online:
[www.airenergi.com/analysis-wor ... project-risks-report](http://www.airenergi.com/analysis-wor...project-risks-report)

Provided by Queensland University of Technology

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