ilogistics

Helping Shell

Become fully compliant to regulations, reduce costs & improve travel workflow

Client Overview

Shell is an integrated energy company straddling operations across the entire oil and gas value chain, in over 70 countries.

The Oil & Gas industry is highly complex due to the process, scale and geographies of operations, including complexities in logistics of people and materials to ensure timely movement and alignment to production schedules and institutional requirements by local governments.

The end to end movement of people and material across various terrains - from snow covered regions to swamp areas to deep-water locations through regions with sensitive political climate and with complex security arrangements, requires clear, effective, sharp and strategic management and special attention. A robust people and material logistics set-up is key for successful operations.

The Shell-IBS relationship

IBS is a leader in providing solutions across the TTL (Travel, Transportation & Logistics) industry across the world. Our award winning solutions are implemented across the major airlines, airports, cruises, hotels and oil & gas companies around the globe. The accumulated experiences, knowledge of our team and the in-depth focus in the domain has helped clients leverage maximum value through our offerings and our team.

iLogistics is IBS' multi-modal, integrated logistics management solution transforming the upstream logistics since 2001 through continuous innovation. IBS' vision is to be the de-facto standard for logistics operations across the energy sector, establishing global standards for safer people & material movement.

Shell has been using iLogistics in Sakhalin since 2005 and over the years, implementation has been expanded across 16 Operating Units (Ous), in countries like New Zealand, Australia, Malaysia, Brunei, Philippines, Iraq and Nigeria, to name a few.

100%
regulatory compliance

USD 12 million*
annual savings

Single view
of travel workflow across departments

* For one of the Shell OUs in the Middle East

A strong supplier relationship strategy and executive sponsorship governance in Shell and IBS helped make this deployment successful. A regular cadence of structured engagements enabled access to the right decision makers in IT and the Business in both companies to ensure we understood the key business drivers and this helped IBS tailor its response culminating into delivery excellence and value beyond contract. This is a testament to the Executive Sponsor role and the relationships we have built. We aspired to deliver a win-win situation both for Shell and IBS.

Marielle Antvelink
Supplier Manager Business IT
Contracting & Procurement, Shell

The Context

People logistics under difficult conditions

Due to the diverse spread of the locations, all of Shell's facilities come with their own challenges – be it the harsh climate, difficult terrain, political climate, stringent security regulations – and this makes people & material logistics very critical to operations.

High volume people logistics

The volume of logistics is significant. Picture this: in one geography alone, annually logistics of transporting people and material span over 21 million kilometers of road length, 41,000 personnel traveling via flights, over a 1000 staying in temporary work camps and 1.1 million personnel moving by road in field buses. Imagine the aggregates for 16 facilities and not just one.

Need for synergies and streamlining of information and processes

In most locations IBS observed that there was a need for structured, strategic synergies across related departments like logistics, security, health & safety department, and HR. Working in silos with data captured in individual spreadsheets and without a central database capturing necessary information on people and material logistics created inefficiencies in production process, work schedules and costs.

Seamlessly integrated information was essential, all the more so for high security locations where, for example, passports and visas need to be inspected for compliance. If the visa had a discrepancy, or required for example additional stamps like medical/vaccines, the person was not allowed past immigration and sent back. This would result in significant costs.

Safety Standards

Shell has set high standards in the oil & gas industry, in terms of HSSE (Health, Safety, Security and Environment) and operations. In line with these standards, Shell needed a logistics management solution that has the ability to manage people safely and in full compliance with the standards. The solution had to be robust, manageable, scalable, efficient, off-the-shelf, and have a track record of success.

Solution Implementation

IBS' iLogistics solution was able to provide an integrated solution across 16 countries. Over the years, the following modules of iLogistics have been implemented across Shell's facilities: Aviation Fixed Wing, Aviation Rotary Wing, People On Board, Land Transport, Marine People Movement, Hotel/Camp, Visa/Work Permit, Materials Movement Rotary Wing, Materials Movement Marine/Land, Waste Management, Flying Hours, Flexible Reporting, Fleet Maintenance, and Fuel Management.

There is not a lot out there in terms of alternative tools in my experience that provide end to end process. Some tools excel in parts of the process but for us iLogistics is a holistic tool that covers end-to-end, I would say that is what attracts me the most.

David Dunnet
Strategy and Planning Lead for Logistics, Shell

What I have seen consistently as a benefit to the business is the ability to know who is on our field, especially in risky countries where we operate. The forecast planning for people arriving at the locations, the support for accommodation, logistics, and the risky security situation - these have been the most valuable benefits

Javier Mestre
Global IT Logistics Program Manager, Shell

Key Results

Full visibility across departments

A single travel workflow now spans all departments leading to a more efficient process allowing better analysis of business processes, and better communication between departments. The implementation spans the logistics, facilities, account management and security teams. Streamlined HR processes lead to elimination of duplication.

Significant Cost Savings

The end-to-end visibility of the travel workflow and automation has helped bring down personnel costs. In one of the facilities in the Middle East, the iLogistics implementation helped do away with additional positions . Existing personnel could now focus on analyzing and improving other business processes. Together with the use of the LEAN methodology by the Logistics team, annual savings are estimated to amount to USD 12 million.

Efficient processes and utilization of resources

Using iLogistics' Fuel Management module, the quantity of fuel remaining in each storage unit can now be tracked, which helps in planning for refueling requests with much better clarity. Significant improvements are noticed in utilization of camps and PSD vehicles. The improved visibility to the room/camp utilizations ensures that vacant rooms are allocated, improving room/camp utilization.

Higher visibility and control, leading to full compliance with regulations

iLogistics ensures that everyone coming to the facilities is 100% compliant with local requirements. All the compliance data is visible across departments, and multi-level authorization across managers is possible in the travel approval workflow. For one of the facilities in the Middle East, iLogistics completely tracks visa, work permits & passport expiry and issues alerts for over 20,000 passengers in the region for renewals and other related processes. No personnel has been sent back from the airport since the iLogistics implementation, which is a direct result of the governance provided around the compliance processes.

Regional customization

The existing features in iLogistics were enhanced to meet specific local compliance requirements. The ability to edit the journey request functionality has increased the success of iLogistics implementations across Shell facilities. Furthermore the reporting was customized through the dual reporting functionality and the ability to directly upload documents and attachments further enhanced the collaboration between different departments.

About IBS Software

IBS Software is a leading SaaS solutions provider to the travel industry globally, managing mission-critical operations for customers in the aviation, tour & cruise and hospitality industries. IBS' solutions for the aviation industry cover fleet and crew operations, aircraft maintenance, passenger services, loyalty programs, staff travel and air-cargo management. IBS also runs a real-time B2B and B2C distribution platform providing hotel room inventory, rates and availability to a global network of hospitality companies and channels. For the tour and cruise industry, IBS provides a comprehensive customer-centric, digital platform that covers onshore online and on-board solutions. IBS also provides logistics solutions for the energy & resources industry. IBS Software operates from 11 offices across the world. Blackstone is a shareholder in IBS Software.

Further information can be found at https://www.ibsplc.com

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