

# COMPLIANCE & COMMITMENT MANAGEMENT



## DEFINITION

**Com-pli-ance(n):** adherence to standards, regulations and other requirements

**Com-mit-ment (n):** responsibility: something that takes up time or energy, especially an obligation

**Man-age-ment (n):** handling of something successfully: the act of handling or controlling something successfully

*Source: Bing Dictionary*

# What is **COMPLIANCE & COMMITMENT MANAGEMENT?**

Organizations around the world make and manage thousands of compliance activities and commitments every day. These actions are related to the company's operational projects that have an impact on environments, people and resources. Commitments, and the ensuing compliance, regulatory and risk structures must be tracked, managed and reported on as key corporate assets.

Stakeholders such as land owners, community representatives, aboriginal leaders and/or government bodies govern the effective execution of the actions associated with projects. Permits or permissions are granted with the expectation that a broad spectrum of mandated requirements will be met, along with a perceived social license to operate to ensure land and resources are protected.

“You don't get your social license by going to a government ministry and making an application or simply paying a fee... It requires far more than money to truly become part of the communities in which you operate”

Source: <http://sociallicense.com/>



## Compliance and Commitment Management is:

- The ability to setup and track regulations that need to be completed in order to stay within compliance;
- Planning, scheduling and reporting on the actions completed, and the ability to mine this information and report back to stakeholders on progress made over the lifetime of the projects;
- A way to manage every conversation, every promise, every commitment that an organization has ever made during the course of a project;
- A system of reference for all the activity around obligations and operations;
- An enterprise view of project-related actions that allow communication, leadership, risk management and quickly enable a response strategy when necessary.



# THE STAKES ARE HIGH

Building trust, cooperation and an effective communication framework across a complex network of stakeholders is a critical element of every project. Maintaining these intricate relationships through consistent, time-sensitive and truthful exchanges is an essential element of success.

Failure to manage compliance and commitments will result in companies paying a price and not always in dollars. While an inability to meet promises or handle situations as they arise can incur financial penalties, negative publicity can have an even more significant impact with the erosion of public trust, diminished corporate credibility and a bearing on brand for years.

The Environmental Protection Agency announced that an oil company has been fined for violating the Clean Water Act because they failed to maintain and fully implement spill prevention plans

There was no oil spill, but the EPA says the company was not fully prepared to deal with oil spills or prevent them from having potentially serious environmental consequences.

# COMPANIES WHO DO NOT HAVE A COMPLIANCE AND COMMITMENT MANAGEMENT STRATEGY MAY EXPERIENCE THE FOLLOWING

## GETTING CAUGHT OFF GUARD

Being prepared with a strong risk mitigation strategy is the key driver for most Commitment Management solutions.

## LOSS OF REGULATORY APPROVALS

Failure to implement milestones and communicate and manage adherence to regulatory requirements may incur project hurdles, stoppages or financial penalties.

## TARNISHED BRAND IMPACTS SOCIAL LICENSE TO OPERATE

Brand integrity suffers when public opinion perceives obligations have not been met.

## SUSTAINABILITY OBJECTIVES MISSED

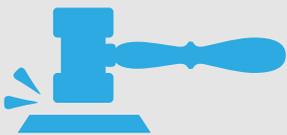
Goals that are high profile and managed across multiple departments and stakeholders require a strict methodology to ensure no critical steps are ever missed.

## POOR TRACKING OF STAKEHOLDERS

Without using a unified solution, team members may not properly track changes to the numerous stakeholders that an organization deals with.

“There appears to be an epidemic of brand erosion going on, with some of the best and brightest companies with years of doing things right stumbling and hurting themselves in the eyes of their consumers. ... BP was going green, until a chemical plant blew up and oil was spilled over half of Alaska because of poor maintenance and penny-pinching.”

Bruce Nussbaum, Bloomberg Businessweek



## Paying the Price

An oil company in Maine was fined thousands of dollars for failing to implement their spill prevention program on time.

Recently in California a gas company incurred penalties totaling over half a million dollars for missing necessary inspections, maintenance and testing at their underground storage facilities.

In Colorado, a corporation was assessed a total of \$316,000 in fines for violating risk management provisions at natural gas plants by not having an effective plan in place.

An Alberta oil-sands exploration company has been fined \$100,000 for breaking the terms of a water license issued under the Water Act. The company pleaded guilty to breaching the conditions of a license that allowed them to temporarily divert water.

# MANUAL OR AD HOC APPROACH INCREASES RISK

Energy and Oil & Gas companies traditionally have managed compliance and commitment tracking in emails and spreadsheets with little visibility holistically into consequences, penalties or potential delays.

These tools do not have the necessary tasks, workflows, alerts and connections to a multitude of systems as well as internal and external stakeholders who need to be advised and kept informed.

With key decision makers working in a variety of locations including remote field offices, the ability to access pertinent details or connect to the right parties using mobile devices such as smart phones or tablets is not a viable option when relying on outdated manual methods and static reports.



# A TRANSFORMATION FRAMEWORK

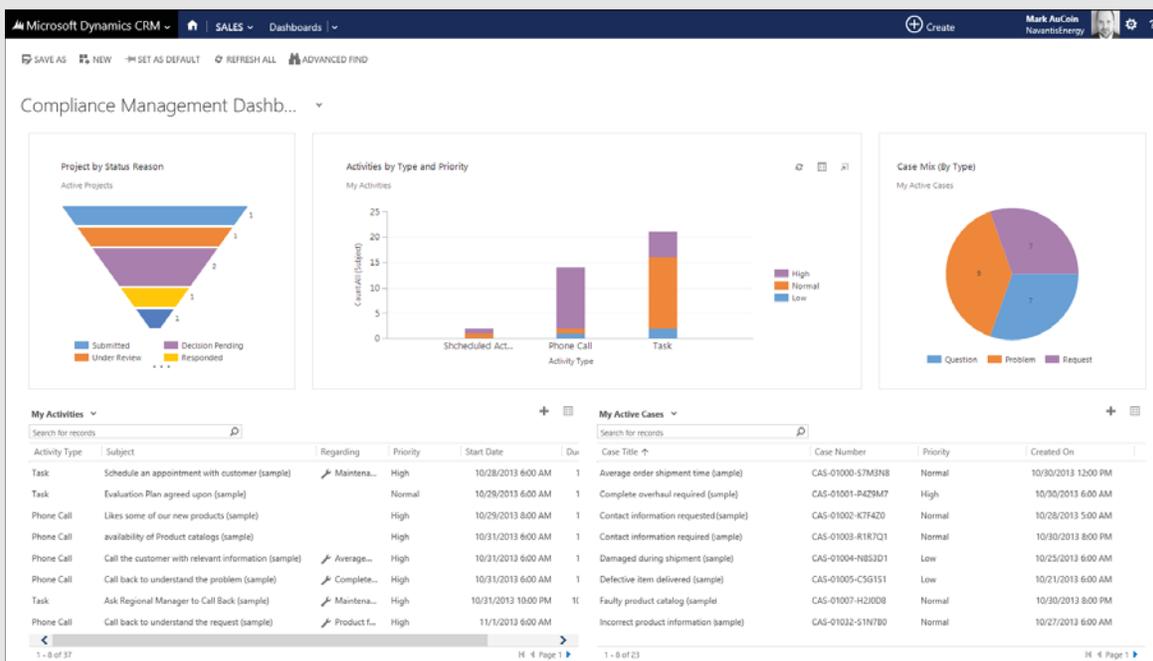


Navantis has architected a framework built on Microsoft Dynamics CRM to manage and track interactions with key stakeholders at an individual, community and/or project level.

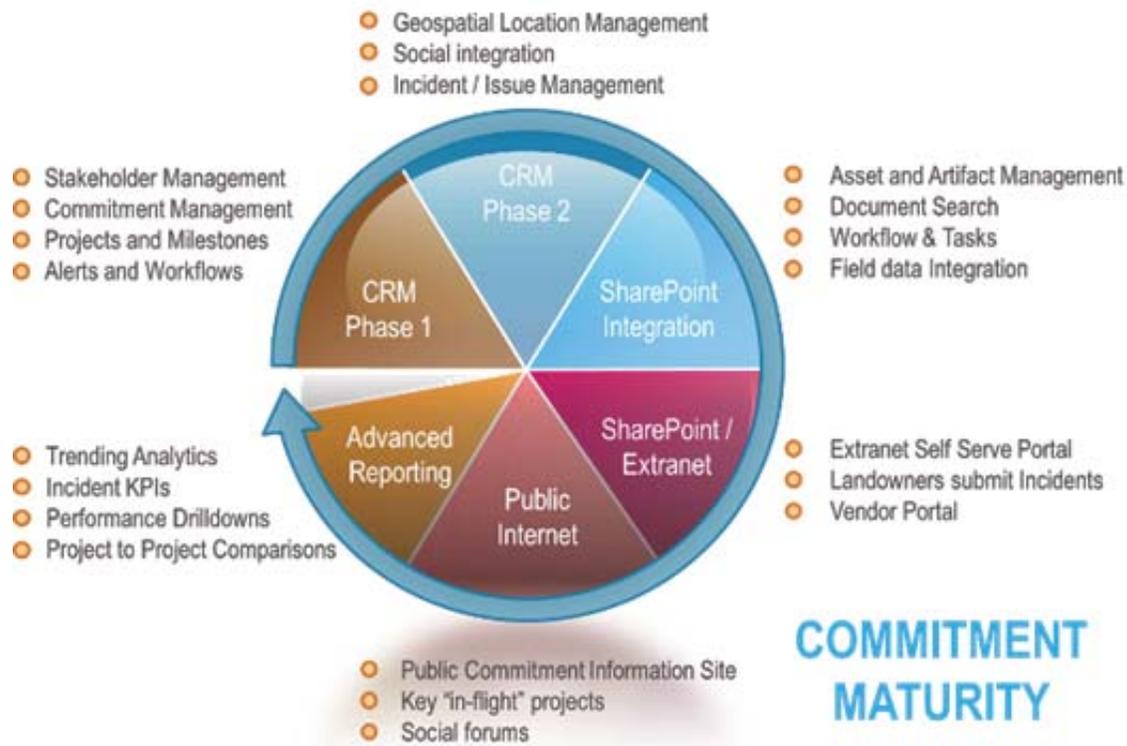
The solution enables the integration of multiple data sources, input modalities and interaction modes (including alerts) to fit existing business processes and provide a framework for the improvement of those processes.

Leveraging common Microsoft technologies, Navantis can also incorporate the collaboration strengths of Office365 and Yammer, delivering a solution that provides:

- Stakeholder Management
- Compliance Tracking and Scheduling
- Commitments Management
- Projects and Milestones
- Social integration
- Incident / Issue Management
- Alerts and Workflows
- Asset and Artifact Management
- Document Search
- Workflow & Tasks
- Field data Integration
- Extranet Self-Serve Portal for stakeholders
- Vendor Portal
- Public Commitment Information Site
- Key “in-flight” projects
- Social forums
- Trending Analytics
- Incident KPIs
- Performance Drilldowns
- Project to Project Comparisons
- Delivered on-premise, in-the-cloud or as a hybrid model



# SECURING THE FUTURE TODAY



Public scrutiny on the actions of Energy and Oil & Gas companies as they broaden their footprint harvesting valuable resources will continue to increase. Regulatory requirements imposed by governments and agencies are also rising. Corporate growth and expansion will require the cooperation of many invested stakeholders.

Having clear insight into commitments and the capability to quickly connect to the individuals and groups who need to be kept informed will reduce the potential for fines and reinforce credibility and public trust. Navantis has award-winning experience delivering solutions to Energy and Oil & Gas companies and can leverage the tools organizations use and trust today to help manage and keep corporate commitments.

For more information regarding Navantis, please visit

[www.navantis.com](http://www.navantis.com)

To learn more about Navantis Compliance & Commitment Management or to schedule a demonstration, please contact:

[info@navantis.com](mailto:info@navantis.com)

1-888-882-9588



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