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DELIVERING REAL VALUE AND EFFICIENCIES FROM AI AND MASS DATA AND SHARING THE RESULTS

Linh Austin, McDermott's Senior Vice President for Middle East & North Africa, discusses his company's AI aims, wins and the huge potential of collaboration across competitors, clients and service companies in areas where there is common ground

How do you define success with AI initiatives?

One thing you'll see in this industry – and I've had the benefit of working in an IOC, briefly a NOC and now the EPC side – is that there is a staggering amount of data gathered over the last 50 years. What you find, though, is how little analysis came out of all that volume.

But as you start to really dig in and analyse the data you find interesting things emerge. Artificial Intelligence for us is very much about how do we take big volumes of data and turn it into information we can act upon. We've done some simple things that allow us to get quick wins, because that starts to prove the concept actually works.

As we start to have these wins, what's important now is that it's opening us up in terms of possibilities of something much bigger.

There are thousands of points of data captured through the course of a project. Humans can't possibly digest all that information and distill that into something useful.

It's through AI that we will start to be able to do that, to capture, categorise, and analyse data over time and then look at some possibilities into which we probably didn't have visibility before.

We've looked at it practically and said, 'what are the small AI categories that can deliver a lot of value'. We've taken on collecting key data around the oil and gas market - not big, expensive ventures - that make us more efficient. If we start to see that and have confidence, we can take bigger steps, but in the meantime even just the small



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stuff we're doing is starting to generate value.

Do you see more cooperation between major players, sharing data?

There should be more cooperation in sharing data. Areas like safety... the industry has been fantastic about collaborating across companies, competitors, between clients and service companies. Safety was an area where there

has been common ground over the years, but also now to be efficient in the industry...there's a huge opportunity to collaborate on projects.

If you think about the scale of what this industry looks like – greater than 60 per cent of projects are either behind schedule or have cost over runs more than initially planned. So, there's an opportunity to collaborate across the industry with these big data pools and say, 'how do we do a better job of predicting the outcome'. These are things competitors can do, and clients can help us do, without disrupting competitive tension or falling afoul of competition laws.

What advice do you have for others looking to start a new journey with AI?

It's going to involve a lot of collaboration between your AI partner and your internal stakeholders, because while your AI vendor can bring a certain technology to the table, they rarely have the depth of understanding of the business they apply that technology to.

You've got to have a strong champion internally who understands what they're trying to achieve – be crystal clear on defining what that scope is – and then work with that technology company to see that result, because these things can start to grow arms and legs and you never actually finish what you aim to do. One company we're working with is Zdaly, around real-time market information.

We now have a tool that aggregates McDermott news and

anything related to the Middle East, energy, oil and gas. A click on a simple app every morning gets me the (relevant) information. We used to have a small team do this.

We use Zdaly for other things associated with our internal efficiencies and we're finding real opportunities with fairly modest investments. It takes a lot of effort from us, though, to navigate that technology towards where it's applicable to us.

We're still incredibly early in this journey, but there are endless opportunities. It's simply about taking that volume of data and doing something sensible with it.

What's your ultimate goal and what do you have planned in the next few years to reach that goal?

One goal has got to be reducing our overall cost, to be more efficient without increasing exposure to downside risks in terms of safe delivery, because at the end of the day big projects are about being cost competitive. There's definitely something around understanding the predictability of your costs because you don't want to bid for jobs and find out too far down the road that you're going to bust your budget. Those kinds of predictability tools are quite important for us.

Then there's something around schedule optimisation and when we're in the midst of executing a project, are there tools we can employ that help us be more efficient and better along the way? For us, it's all in that space around efficiencies – our internal efficiency during execution and predictability of the outcome.