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Implementation of an Integrated Exploration Risk Analysis & Portfolio Management Process - Keys to Success

Risk Analysis processes have been taught for many years throughout the industry, but to many people's surprise the process has had little effect on decision making. Is it that our industry's performance is so good that we can afford to disregard such rigorous processes that allow us to compare relative value? Are our estimators lacking training? Is their consistency of language and methodology throughout the organization? What is the motivational environment of the organization? These are a few of the many questions relevant to this process. Using real data from real companies we will attempt to shed some light on the keys to a successful implementation of an integrated risk analysis process.

There are many steps in an integrated evaluation process, some are sequential, some feedback loops, others involve various functions within an organization working together BUT all steps involve estimation and this has been an area that many find difficult. Providing geo-professionals with quantitative "Reality Checks" which are self-correcting estimation tools are providing the framework for better estimation.

This presentation also looks at various steps in the assessment of value that resulted in poor performance, attempts to isolate the reasons why this has persisted for so long, and seeks to present a list of key process elements and implementation factors that will result in a change in decision making processes which in turn will lead to enhanced performance.