Project:	The Technology Management Network
Meeting type:	***Meeting no. 3: Technology Strategy***
Date:	Tuesday 11 May 1999
Venue:	Saga Petroleum, Kjorboveien 16, PO Box 490, 1301 Sandvika (nr Oslo), NORWAY, Tel: +47 67126600, Fax: +47 67126666, Conference Room: ALLTINGET
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Hotel:	Rainbow Oslofjord Hotel, Sandviksveien 184, Sandvika 1300, Tel: +47 67545700, Fax: +47 67542733.

> ***Booking instructions:*** A block booking has been made for the night of 10 May. You can make reservations directly with the hotel quoting reference '***NINA'***, otherwise please let OTM know your accommodation requirements by ***3 May 1999***

Travel:	Oslo airport has a new location so please note the following:
	From the airport take the train to Sandvika Station (50 mins). From the Station take a taxi to the hotel (5 minutes drive). The hotel is 5 mins walking distance from Saga's offices – ***a representative from Saga will meet us in the hotel lobby at 8.45am to take us to the offices***.

Draft agenda:

	Welcome and introduction	***Saga; OTM***	***9.00***
1.	Technology Strategy – detailed processes and internal review	Hans Johnsen, Statoil	9.15
2.	Technology Strategy – detailed processes and internal review	Mike Taylor, Mobil	10.00
3.	Technology Strategy – technology positioning and case history	Tom McGovern, Conoco	10.20
	Tea/ coffee		***10.45***
4.	Round table reports on internal informal company audits regarding Technology Strategy	All	11.00
5.	Summary of issues arising		11.45
	Lunch		***12.00***
6.	Technology Strategy – a contractor perspective	Johnny Nylund, Kvaerner	13.00
7.	Critical success factors – facilitated discussion		13.40
8.	DTI technology initiatives; followed by update on Oil & Gas taskforce & Foresight report – Energies from the Sea	John Foote, DTI (UK)	14.10
	Tea/ coffee		***14.45***
9.	Best practice processes – facilitated discussion		15.00
10.	Network matters – new joiners; marketing; future		15.20
11.	Review of day and next meeting date		15.45
	Meeting ends		***~16.00***

The Technology Management Network
Meeting No. 3: 'Technology Strategy' – Briefing Notes

At the second meeting of The Technology Management Network, it was identified that efficient 'selection of technology solutions to meet identified needs' (and indeed all other steps on the technology management cycle) was aided by having a clear corporate Technology Strategy in place. All attendees agreed that business unit commitment, top management support and 'alignment' of all personnel was a critical success factor to achieving the best results. In addition, it was identified that those involved in the technology management process can most effectively carry out this function on behalf of the company if they can think beyond their own asset or business division and see the overall direction of the organisation.

This 'one company' philosophy can be greatly facilitated by developing and implementing a corporate Technology Strategy and communicating this effectively to employees. At the last meeting of TMN it was suggested that members may wish to carry out a 'mini-audit' of their organisation's performance in this regard and be prepared to report the results to the meeting. To this end, it is suggested that members look at their own company and ask the following questions:

♦ Do we have a Technology Strategy in place?

♦ Is the Technology Strategy communicated effectively to employees (and how)?

♦ Is the strategy appropriately aligned to business objectives/ goals/ mission?

♦ Do we implement the Technology Strategy (eg does it guide our technology management decisions) and how do we implement it?

♦ How are we performing with regard to meeting our Technology Strategy objectives?

♦ Is the strategy reviewed regularly and is it still appropriate to the current oil price climate?

♦ Has there been any benefit from having a Technology Strategy in place?

It is therefore suggested that the above points – if not critical success factors – at least constitute best practice. One or two members will be asked to talk about their internal processes in some detail and there will be round table discussions during which all members can informally share their own processes and thoughts. What a 'Technology Strategy' comprises and how it should be used to assist technology management, will be brought out through discussion at the meeting. However, such a strategy may include the following:

♦ The company's philosophy on IPR – do we want title rights to all technologies funded/ none/ certain critical technologies only?

♦ What is the purpose of carrying out R&D (eg asset application – ie fit for purpose solutions or future income from licensing of technology)?

♦ Which high level technology areas are identified as key to the future success of the business?

♦ Which, if any, technology skills should be retained in-house and how do we enhance these (networking, knowledge management etc)?

♦ The company's policy on enhancement and retention of technology knowledge

♦ In which areas will we collaborate with other companies and which technologies will we fund ourselves in order to maintain a competitive advantage?

♦ Which are our technology strengths & weaknesses and do we want to retain or shift this balance?

♦ Will we consider mergers in order to strengthen certain skill-sets?

♦ What technological goals do we want to achieve (eg 20% IOR over 5 years; 30% of our portfolio from ultra deepwater fields in x years?)

Written into the Technology Strategy may be certain measurable milestones to be achieved by specific times. These may include some detailed short term targets and longer term broader objectives. In previous TMN meetings, such goals have sometimes been described as 'icon' targets.

Companies may have an in-built review process whereby the company's achievements against the Technology Strategy are recorded and the strategy is assessed to ensure it is still current. Too frequent changes in strategy may lead to instability, however adjustments in goals and refinements of the strategy may help to ensure its relevance and to keep it fresh. Where goals have not been achieved, it would be useful to understand why this has occurred – whether the goals were themselves wrong or unachievable or if there was a failure of the processes used to achieve the goals.

The Technology Strategy will be aligned with – and in some cases amalgamated with – the overall Business Strategy. This latter will impact upon the company's decisions with regard to licensing rounds, asset portfolio, staffing levels, mergers/ acquisitions, R&D budgets etc. In order to formulate the organisation's strategy, companies may well be asking themselves the following questions – some of which were raised at the last TMN meeting:

♦ What market do we want to be in?

♦ How do we want to be perceived by industry/ shareholders?

♦ What financial targets do we want to meet?

♦ Where do we want to be in 10 years time?

At the meeting on 11 May, we will explore the above in further detail and learn from one another's experiences, as well as developing new ways forward. This session on Technology Strategy will help to integrate the examination of different processes in the Technology Management Cycle at successive meetings.