THE SINKING OF THE PETROBRAS P36 FLOATING PLATFORM

Brazilian Atlantic Coast

March 2001

THE ISSUE OF QUALITY ASSURANCE
PETROBRAS P36 FLOATING OIL PLATFORM

Positioning at sea
For those of you who may be involved in project cost control (at whatever level),
please read this quote from a Petrobras Executive extolling the benefits of cutting quality assurance and inspection costs,
on the project that sunk into the Atlantic Ocean off the coast of Brazil in March 2001.
"Petrobras has established new global benchmarks for the generation of exceptional shareholder wealth"
through an aggressive and innovative program of cost cutting on its P36 production facility.
conventional constraints have been successfully challenged
and replaced with new paradigms appropriate to the globalised corporate market place.
Through an integrated network of facilitated workshops,
the project successfully rejected the established constricting and negative influences of prescriptive engineering,
onerous quality requirements, and outdated concepts of inspection and client control.
Elimination of these unnecessary straitjackets has empowered the project's suppliers and contractors to propose highly economical solutions,
with the win-win bonus of enhanced profitability margins for themselves.
The P36 platform shows the shape of things to come in unregulated global market economy of the 21st Century."
And now you have seen the final result of this proud achievement by Petrobras.
QUIZ:

1. What was the risk that lives may be lost because of this cost saving effort?
2. How did this impact the environment?
3. Did the person(s) responsible for this decision lose their job?
4. How much did Petrobras really save?
5. Does your company have a cost saving strategy that over-rules quality?