OITJ Interview—Randy Clark, POSC CEO

Petroleum Open Standards Consortium (POSC) has named Randy Clark as President and CEO. Clark was previously with Baker Hughes and the e-business marketplace, CC-Hubwoo/Trade Ranger. In this exclusive interview, Clark tells Oil IT Journal why he took the job and of his plans to build POSC into a community—embracing both vertical and horizontal standards.

Why did you take the job?
I have been interested and involved in oil and gas (and other) industry standards for a long time. From my previous work, I think that the lack of standards represents a significant barrier to the free flow of e-commerce. While the technology has stabilized, information exchange still suffers from inconsistent data formats and protocols. So when the opportunity arose to devote myself full time to information exchange standards in the oil and gas industry, I jumped at the chance.

What are your immediate plans?
I looking for ways to add value to members’ business. The upstream is looking everywhere for added value—even if it is hard to identify. POSC’s focus has been always been on the upstream with its special needs, unusual, high volume data types and complex information. We need to support information availability and integration across the value chain and out to trading partners. I also want to build a community around the standards and to become a link between users and developers of many standards—not just POSC—anything that is needed to support business efficiency. I want to create a talent pool of thinkers and developers of standards—to focus development effort where we see a marketplace need.

Any immediate targets?
I want to identify targets through consultancy on information standardization in the short to mid term—to find out what the market needs. Potential targets today might include RFID, web services, catalogues of existing standards—and finding ways to make them work. A lot has already been done in the subsurface arena, more remains to be done in production and operations. There are big gaps in the hand-over of construction companies—there are lots of opportunities there. I also want to make POSC a community—a focus for information that people can’t get elsewhere. A home for successful practices and emerging best practices and a collaborative environment where people work online through threaded discussions, a ‘think tank’ if you like. Lastly I want to become a vocal and visible evangelist for standards in industry—especially re global trading partners—and to ensure that we are plugged into horizontal and or vertical industry standards—and to get a seat at the table of standards bodies.

Would that mean POSC joining the W3C?
That’s a possibility—but I’ll be looking at where POSC should be involved—where we can most usefully place our limited resources. I certainly want to track any initiatives that show value to the community.

What did you do with Baker Hughes?
Initially, managing the engineering and construction of oil and gas facilities. I was also involved in Project Renaissance—a big SAP and business process reengineering initiative. Later I reengineered the new product development process for Baker Hughes. I also worked on the e-business at the corporate level—working in a group looking at e-procurement. Hence when the opportunity arose with Trade Ranger, I joined in the newly created post as VP community, developing a strategic-level community around the market place. In one year I had created a successful community.

What went wrong?
I wouldn’t characterize what happened to TR as ‘going wrong’. The market place scene evolved and some were not successful. This was in part because of a degree of resistance from suppliers. There were organizational issues in procurement companies. Some buyers regretted the absence of the personal relationships they had built with the sellers. In other companies, the drive from the top was not born out in the operating units. Organizational inertia was another barrier in some cases. In the end, excess marketplace capacity led to consolidation. Marketplaces serve a role—but they are not for all.

E-Commerce with PIDX also works independently of a marketplace as PIDX has shown.
Yes—a lot of companies have built their own private exchanges—but these do not solve the procurement issue and the multiple connection problem. This has probably reached a plateau. My thought was that web-based e-procurement in the oil and gas companies has not been deeply driven into the organizations and only accounts for a relatively small portion of their spend at this point in time. It will certainly take some time to become ubiquitous in the industry, but ultimately that will happen. The continued development of information exchange standards will make that much easier.

Getting back to POSC—do you anticipate any big changes?
No, not in the short term. We are setting out on strategy planning and we want to listen to our membership—to learn what they want us to be doing.

At the 2005 AGM and Member Meeting in November, POSC chairman Herb Yuan spoke of a potential merger between POSC, PIDX and PPDM—do you have any news or thoughts on this?
I think all these organizations have been talking to each other and collaborating in some areas for a long time. Organizations like ours should always be looking to add value either by merger or by collaboration. Merger is a potential option—but there is nothing on the horizon.

What are the plans for Epicentre—POSC’s flagship data model?
We are going to take a serious look at our software portfolio and see what can be leveraged and what can be moved into a run and maintenance mode. I am a strong believer in lifecycle management of standards.

Does that run to actually retiring a standard that is no longer used?
Yes, that is exactly what I am saying. We should retire standards where there is no activity or support—or when they are obsolete.

Your work in construction with Baker must have exposed you to the ISO 15926—POSC CAESAR standard set. Do you see developments in this space within POSC?
I’m not sure what the relationship with POSC CAESAR is today. I’d like to re engage with them—see where they are and what they are doing and how we can add value.

David Archer regretted that POSC was not more of a software company. What do you think?
I have no particular bias. Our focus should be on facilitating and authoring standards. If going further down the software route adds value, then OK—but I don’t have any feeling for this today. We do have a new website in development.