



**QUALITY  
ASSURANCE  
AND THE  
SINKING OF  
THE  
LARGEST  
OFFSHORE  
OIL  
PLATFORM**

**March 2001**

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 programme 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onerous quality requirements, and outdated concepts of inspection and client control.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.

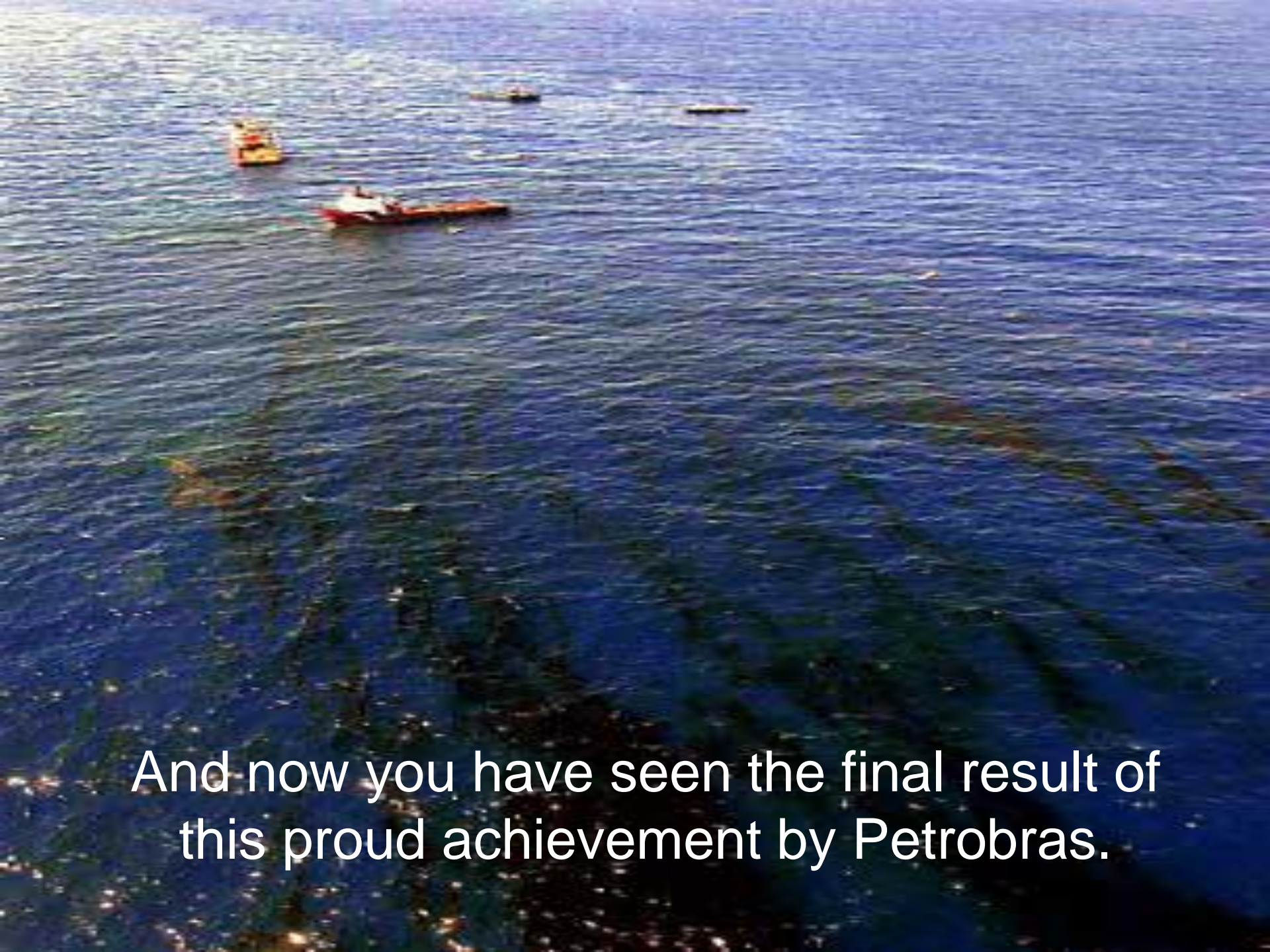


The P36 platform shows the shape of things to come

in unregulated global market economy of the 21st Century.“





An aerial photograph showing a large-scale oil spill cleanup operation in the ocean. Several large, orange and white containment booms are deployed in a grid-like pattern across the dark blue water. In the upper left quadrant, a yellow and white tugboat is visible, likely managing the booms. A red and white supply vessel is positioned in the center. The water's surface is dark, with some lighter patches indicating the presence of oil. The overall scene depicts a complex maritime environmental remediation effort.

And now you have seen the final result of  
this proud achievement by Petrobras.

An aerial photograph of a vast ocean surface covered with numerous small, dark, irregular patches of oil. The patches are scattered across the water, with some appearing as thin lines and others as small, dense clusters. The background shows a hazy horizon under a pale sky.

## QUIZ:

1. How many lives were lost to this cost saving effort and how did this impact the environment, needlessly?
2. Did the person giving this speech *or anyone in upper management connected with this decision* lose their job/bonus?
3. How much did Petrobras *really* save?
4. Does *your* company have a cost saving effort? If so, you'd better know how to swim.