CLIENT CASE STUDY · GLOBAL PETROCHEMICALS

Berwicks

# Berwicks Crisis Management capability enhancement leads to $114 million saving

**A global petrochemical client restored production in 14 days by treating recovery as a strategic, enterprise-wide programme — not a hand-back to business as usual**

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| **$114m** Estimated unnecessary spend avoided | **<14 days** To restored production | **6 months** Minimum expected recovery without an RPT | **$750k** Lost production exposure, per day |

## The commercial value of the Berwicks Crisis Management and Recovery Planning methodology

**By applying the Berwicks Crisis Management (CM) and Recovery Planning Team (RPT) methodology, a global petrochemical client restored production in 14 days and avoided an estimated commercial impact of $114 million.**

The return was created by treating recovery as a strategic, enterprise-wide programme, rather than as a hand-back to business as usual.

## Why this matters

Industrial organisations invest heavily in emergency response, then lose value in the weeks after the incident is stabilised. The gap is rarely technical competence.

**It is the absence of clear recovery ownership, executive governance, disciplined information management and enterprise-wide prioritisation.**

## Two incidents. One organisation. Two very different outcomes.

Both incidents occurred within the same global petrochemical group, which makes the comparison unusually powerful: the operating context was broadly comparable, but the approach to recovery was fundamentally different.

| CASE STUDY 1<br>**Recovery managed as business as usual** | |
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| INCIDENT | Catastrophic component failure, explosion and fire. |
| RECOVERY TASK | Replace approximately $80 million of critical plant and return safely to production. |
| RECOVERY MODEL | Responsibility returned to the business. No formal Recovery Planning Team was established and there was no single Group-level recovery owner. |
| WHAT HAPPENED | Priorities competed across the Group. Procurement, logistics and contractors became misaligned. Communication fragmented, tensions increased and executive visibility declined. |
| DURATION | Approximately 270 days out of service. |
| EXPOSURE | Approximately $250 million of potentially avoidable cost, including lost production and extended workforce costs. |

| CASE STUDY 2<br>**Crisis Management transitioned into a formal RPT** | |
|---|---|
| INCIDENT | Serious fire at another petrochemical facility. |
| RECOVERY TASK | Stabilise the plant, coordinate Group resources and restore production. |
| RECOVERY MODEL | Berwicks supported the Group Crisis Management Team and the in-country Incident Management Team, then formally transitioned the organisation into an empowered Recovery Planning Team. |
| WHAT CHANGED | The RPT established one operating picture, disciplined reporting, integrated risk management, executive governance and enterprise-wide resource prioritisation. |
| DURATION | Production restored in 14 days. |
| ESTIMATED VALUE | $114 million of unnecessary spend avoided. |

## The CM / RPT process

The value did not come from a single intervention. It came from an integrated management system that held control from the first hours of the crisis through to sustained recovery.

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| 1 | **Crisis Management**<br>Set strategic priorities, protect enterprise value and maintain CEO-level governance. |
| 2 | **Incident Management**<br>Stabilise the event, protect life and assets and build a reliable common operating picture. |
| 3 | **Formal Transition**<br>Move deliberately from response to recovery. Ownership must not dissipate at hand-back. |

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| 4 | **Recovery Planning Team**<br>Create a dedicated, empowered coordination hub with one accountable executive lead. |
| 5 | **Execution to Resumption**<br>Integrate risk, engineering, operations, procurement, logistics and commercial decisions until production is restored. |

## Where the value was created

- **Faster decisions —** Executives received a consistent, current operating picture
- **Less idle time —** Materials, contractors, logistics and approvals were synchronised
- **Better allocation —** Scarce resources were prioritised across the enterprise, not within silos
- **Lower execution risk —** Risks and dependencies were actively managed every day
- **Sustained tempo —** One team retained accountability until production resumed

## Side-by-side comparison

| MEASURE | CONVENTIONAL RECOVERY | BERWICKS CM AND RPT |
|---|---|---|
| **Recovery ownership** | Returned to business as usual | **Dedicated, CEO-empowered RPT** |
| **Executive governance** | Reduced after crisis hand-back | **Maintained through recovery** |
| **Operating picture** | Fragmented and declining | **Common, disciplined and current** |
| **Cross-functional coordination** | Reactive and siloed | **Integrated across the Group** |
| **Resource prioritisation** | Functional and competing | **Enterprise-wide and recovery-led** |
| **Recovery duration** | Approximately 270 days | **14 days** |
| **Commercial consequence** | Approx. $250m avoidable exposure | **Up to $114m estimated spend avoided*** |
| **Organisational outcome** | Friction, tension and lower morale | **Collaboration, shared purpose and stronger capability** |

## What the client concluded

> *Post-incident lessons identified material improvements in communication, situational awareness, decision-making, coordination, efficiency and response tempo. The client recommended that the methodology become standard practice for all future major programmes.*

## The return on investment question

The relevant question is not what it costs to build Crisis Management and Incident Management capability. It is what one poorly governed recovery can cost the enterprise.

In this case, the estimated value protected during a single event was up to $114 million — before considering wider effects such as customer retention, contractual exposure, reputation, market confidence or management distraction.

TURN CONTROL INTO COMMERCIAL VALUE

Berwicks develops the capability before it is needed, supports leaders when an incident occurs and embeds the Recovery Planning process so the organisation can convert control into commercial value.

info@berwicksconsultants.com | +44 20 8088 3830 | www.berwicksconsultants.com

IMPORTANT QUALIFICATION

**The $114 million figure is a conservative, client-based estimate derived from their own operating data and the expected counterfactual recovery duration. It is not an audited saving. Actual outcomes are affected by unexpected operational, market, supply-chain and commercial variables.*