

CASE STUDY

PDC Energy - Modernizing Operations Through Strategic System Implementation and Change Management

Summary

We worked with PDC Energy to address challenges stemming from its outdated systems and regulatory pressures. By leveraging modern processes and tools like Quorum and SAP-S/4HANA, we effectively streamlined PDC's operations and enhanced its financial control while focusing on stakeholder engagement and communication. As a result, PDC Energy experienced improved employee morale, reduced turnover, and enhanced operational efficiency, ultimately successfully navigating its compliance challenges.

Background

PDC Energy was a publicly traded midstream international oil and gas company specializing in exploration and production, based in Denver, Colorado.

The Challenges

PDC faced challenges from the federal government due to discrepancies within its systems, which had been acquired through acquisitions over its nearly 50-year history. PDC encountered significant financial control issues, a decline in NASDAQ stock prices, team-member burnout, high employee dissatisfaction, and increased turnover rates; All while rapidly approaching a compliance deadline set by the U.S. government. The company required a new set of accounting and lease management tools to modernize its operations, necessitating a large team that included two software companies, four consulting firms and dozens of PDC staff members.

Solution

Our team focused on three primary objectives: First, manage the implementation of Quorum, a cloud-based lease and land management system and SAP-S/4HANA, an enterprise resource planning solution. Second, develop and implement training materials to ensure staff readiness in using the new systems. Lastly, improve communication activities while emphasizing stakeholder satisfaction and engagement.

Service

Organizational Change Management

Capabilities

**Leadership Engagement
Stakeholder Engagement
Communication Strategies
Training & Development**

Results

Communication Strategies

Our OCM strategy began with collaboration among stakeholders to clarify their roles in the transformation and underscore the importance of these roles for the project's overall success.

Various methods were utilized, including "Lunch-and-Learn" sessions and monthly meetings with small groups of 20-25 employees. Additionally, COTOC created and trained a network of Change Agents, individuals from each department designated to disseminate key messages, information and status updates to their colleagues. Recognizing the significance of keeping all stakeholders informed, COTOC produced monthly informative and engaging videos addressing various project aspects for all teams. As a result of these communication strategies, PDC Energy successfully kept its stakeholders and staff informed about the project.

Training Materials

To ensure PDC Energy could meet regulatory expectations, its staff needed to understand the newly implemented systems, Quorum and SAP, as well as receive proper training as Change Agents in each department. COTOC developed and designed the training strategy and approach, including informative booklets about the new systems. The firm executed and spearheaded training for all involved employees, resulting in a knowledgeable staff ready for the new systems on day one.

Results two

Understanding that employees are at the heart of every company, COTOC prioritized uncovering the reasons behind low employee morale, high attrition, and a large volume of team-member complaints. As a third-party consultant, COTOC conducted an independent survey among all employees involved in the project. The survey revealed that many employees felt undervalued and voiced concerns regarding job security or staff turnover, with 80% indicating they would consider leaving the project if a better opportunity arose.

To address these findings, COTOC presented its results to executive management, leading to the implementation of several initiatives: hosting monthly meetings to recognize outstanding performance and scheduling after-hours activities to foster camaraderie and boost morale. These initiatives corresponded with COTOC's communication strategies to keep staff updated on project progress. After COTOC's interventions, we saw employee attrition drop to 0% along with reported improved morale and a decline in complaints.



0%

Employee attrition after
COTOC's interventions