

# **PLATFORM LEADERSHIP & OPEN INNOVATION SCHLUMBERGER'S OCEAN PLATFORM CASE**

## **PROFESSIONAL THESIS PRESENTATION**

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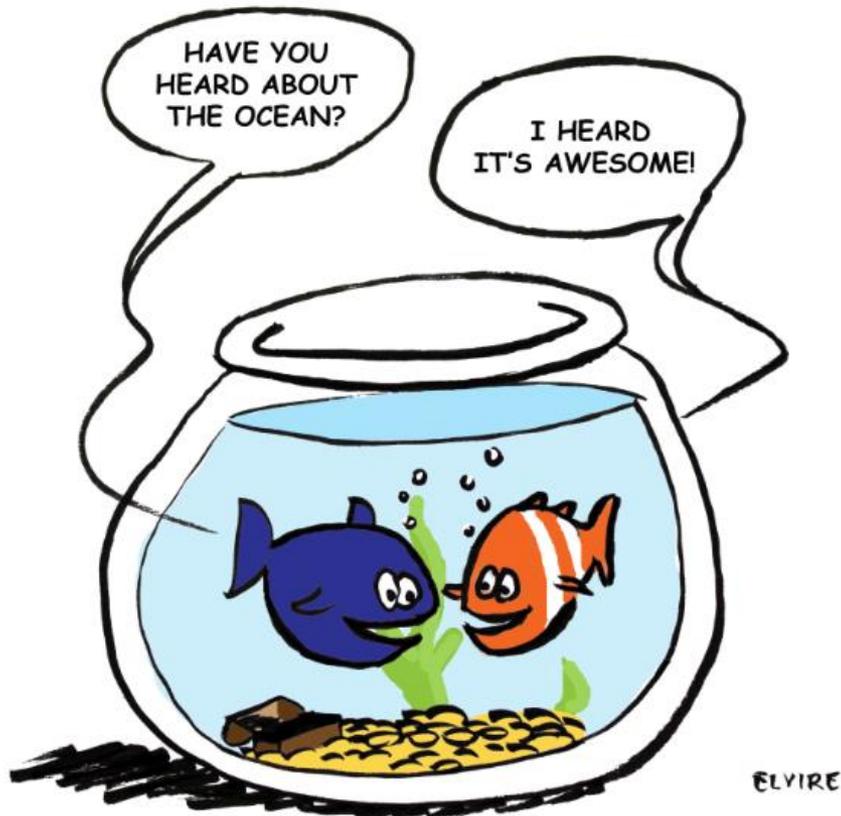
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# Defense Thesis Plan

1. What is Ocean?
2. Ocean Thesis Questions
3. Analysis Method description
4. Ocean Platform leadership analysis Result
5. Open Innovation insights
6. Ocean Platform Leadership map
7. Ocean Platform key success factors
8. Ocean Platform future challenges

# What is Ocean?



*'In 2006, we recognized that we could not deliver everything that the market place wanted, all that the industries wanted, in term of software, by ourselves, because the complexity or the problems that needed to be solved were beyond what a single company or a single group or a single person could deliver. We had to recognize it and to open up to let other experts be able to deliver functionalities to our products, because otherwise, it would not be the success we attended to have. That's how the concept of openness, the concept of extensibility available to external companies was introduced'.*

SIS Ocean Portfolio manager  
October 2013

# What is Ocean?

- An Innovation enabler
  - Crowdsourcing
- A contribution fostering model
  - A wide ecosystem

In June 2013, Ocean's ecosystem was composed of 32 Oil and Gas companies, 76 Software companies and 36 universities.

- Central Web Site
  - Ocean Store

Ocean Plug-ins for Petrel

[http://www.ocean.slb.com/Pages/category.aspx?cat=Petrel&category=newpetrel\(Petrel\)&view=Grid](http://www.ocean.slb.com/Pages/category.aspx?cat=Petrel&category=newpetrel(Petrel)&view=Grid)

- Ocean Software Development framework
  - Open software environment
  - Platform extensibility enabler

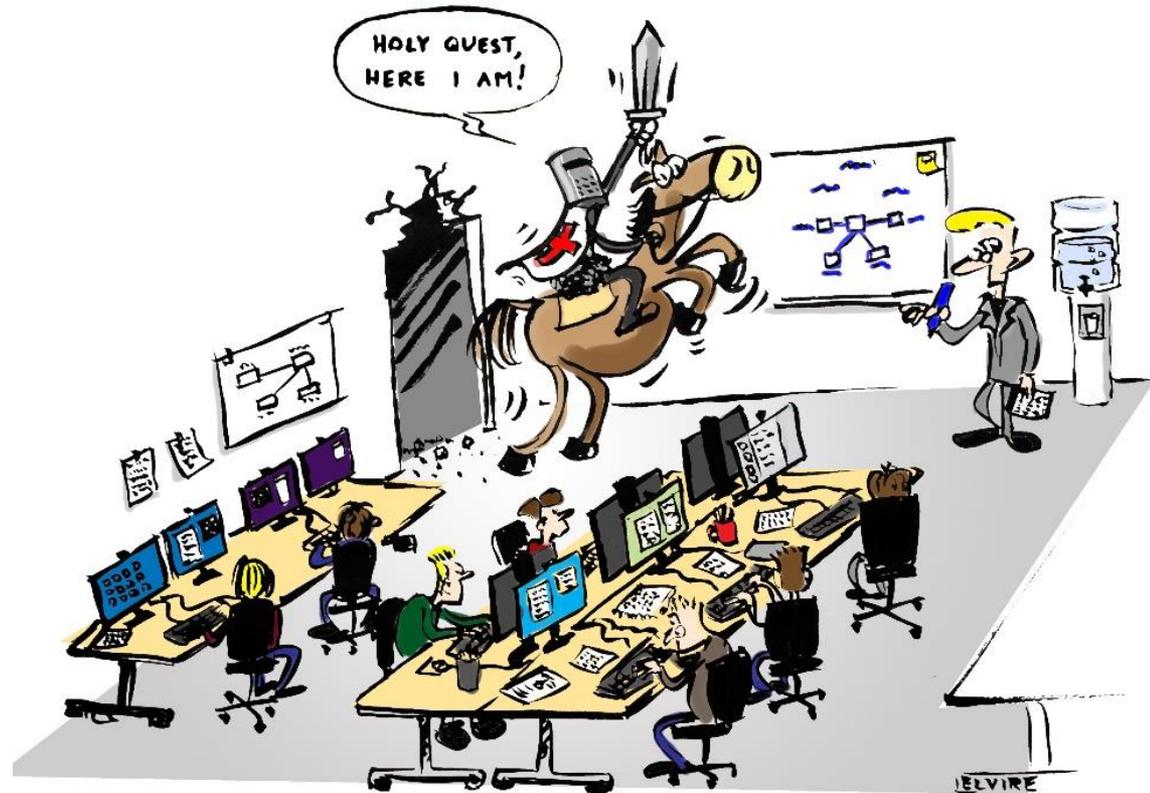


Source: Schlumberger, on line, available at: <http://www.ocean.slb.com/Pages/ocean-platform-extensibility.aspx>, accessed 29-03-2014

## OCEAN IS A PLATFORM

# Ocean Platform Thesis questions

- How did Schlumberger achieve its platform leadership?
- How does Schlumberger maintain its platform leadership?



*'Becoming a platform leader is like winning the Holy Grail: Many seek it, but few achieve it.'*

Annabelle Gawer and Michael A. Cusumano, Platform Leadership 2002

# Analysis Method

- Qualitative Field analysis

<i>Schlumberger and SIS private interviews details</i>			
3	50	6	Total duration
Managers	mails	Meetings or conference calls	5 hours

<i>External Software companies private interviews details</i>			
4	50	3	Total duration
Managers or Directors	mails	conference calls or mail	2 hours

- On-line documentation

- 14 articles and case studies from the Oil and Gas industry press
- SIS' online documentation
- interview of Ashok Belani, Schlumberger Executive Vice President of Technology.

- Literature:

- Platform Leadership

## Four Levers of Platform Leadership Framework

(Gawer & Cusumano, 2002)

- Open Innovation

## Strategy

(Chesbrough, 2003,2011)

## Co-creation activities framework

(Piller and Ihl, 2013)

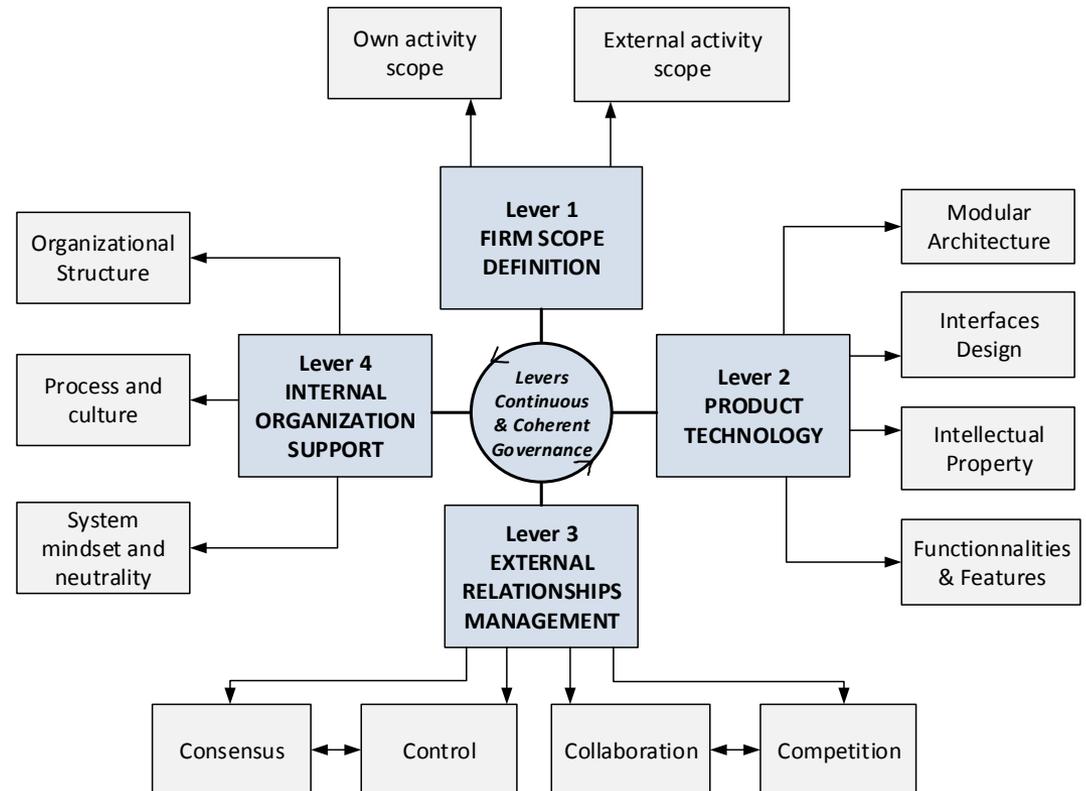
## Academia Collaboration

(Fabrizio, 2005)

# Ocean Platform leadership analysis

- How to describe platform key success factors?
- How to describe the internal and external interactions?

- Platform leadership Four Levers Framework:



Source = Adapted from the Platform Leadership Four Levers Framework (Gawer and Cusumano, 2002)

# Four levers framework insights pros and cons in Ocean case

## pros

- Internal and External Levers  
global understanding
- Efficient Analysis model

### **Strengths :**

- Architecture - Public API
- Information and trainings
- Collaboration
- Internal organization split

### **Improvements:**

- Ocean Store commercialization reporting  
for Software companies
- Ocean Certified Partners terms

## cons

- Customers:
  - How to adapt pattern to  
analyze collaboration with  
customers?
- Academia:
  - How to describe the  
academia collaboration ?

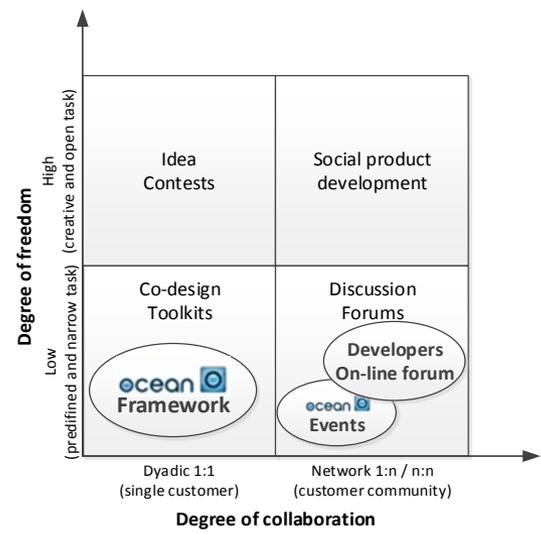
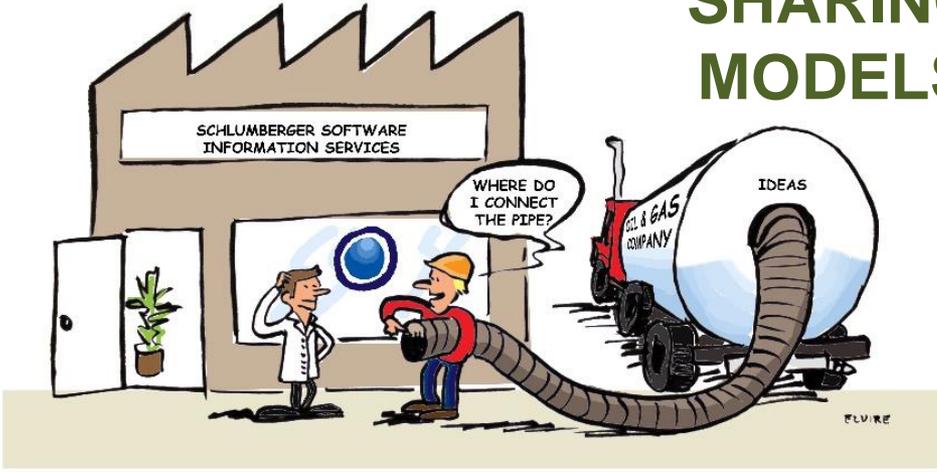
# Open Innovation Insights

- Academia Collaboration
  - Inner Culture
  - Crowdsourcing
  - Local Events

- Co-Creation with customers

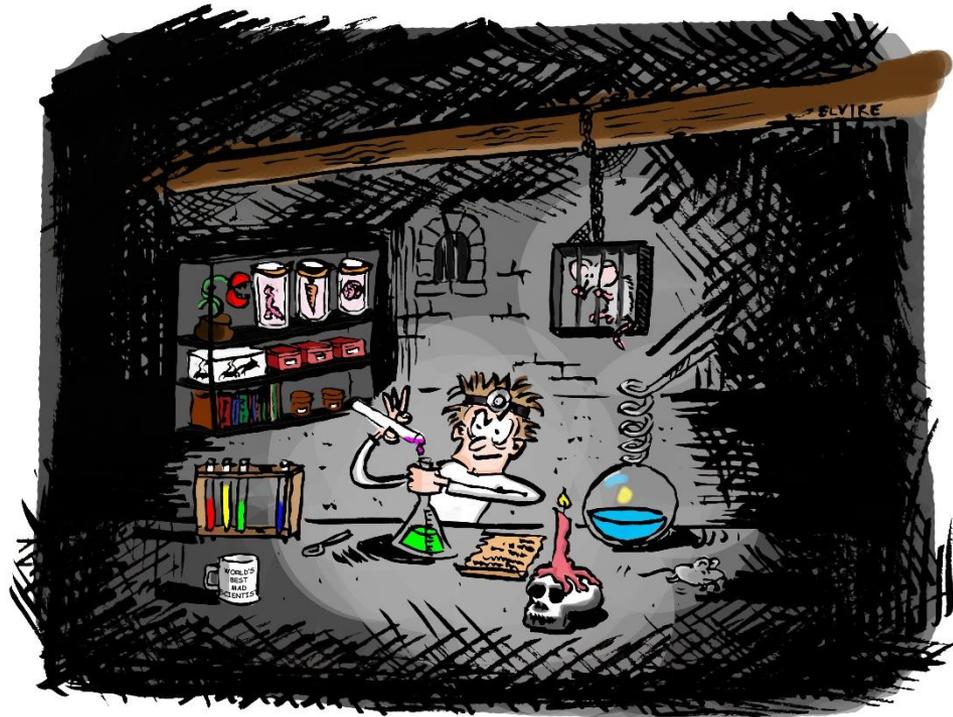
- extensibility and interoperability with customers systems

## TACIT KNOWLEDGE SHARING MODELS



Source = adapted from co-creation activities framework, (Piller and Ihl, 2013)

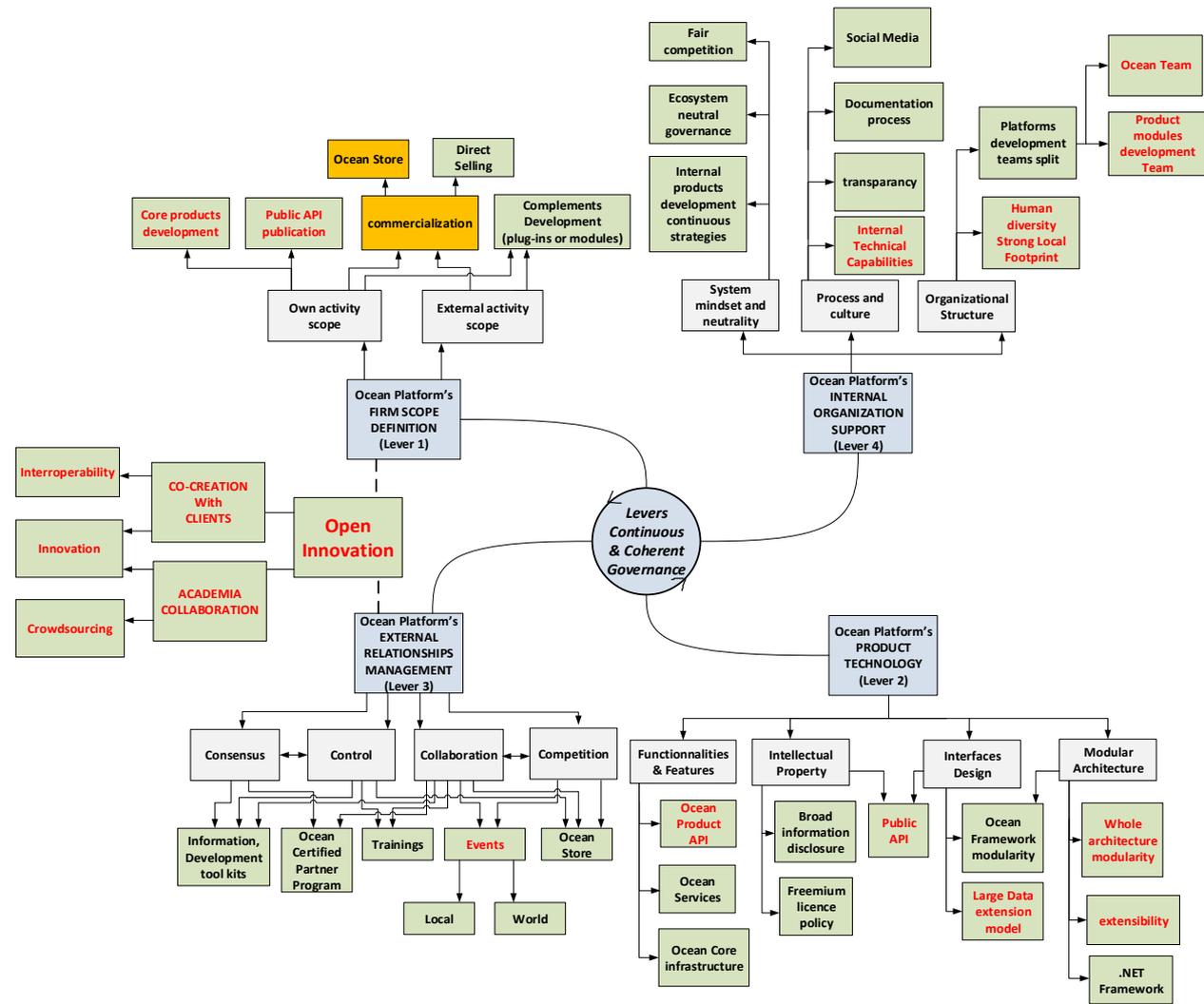
# Ocean Platform long-term Leadership Formula ?



*'There is no one formula for platform leadership.'*

Annabelle Gawer and Michael A. Cusumano, 2002

# Ocean Platform Leadership map



**Legend:**

*In blue and grey: Gawer and Cusumano's 4 levers framework diagram*

*In green boxes with black font color: all factors of success*

*In green boxes with red font color: essential aspects to sustain Ocean Platform Leadership*

*In orange boxes: aspect to improve*

# Ocean Platform key success factors

- **Firm's Focus**
  - “open but not open” model
  - Internal products extensibility
  - Independent plug-ins
- **External relationship management**
  - Information sharing and trainings
  - Co-creation with customers
  - Strong Partnership with contributors
  - Fair competition
- **Market Leader Product**
  - Petrel
- **Architecture**
  - Modularity
  - Public API
  - Extensibility
  - Large & extensible data footprint
- **Internal Organization**
  - Local Footprint
  - Human diversity
  - SIS development teams split
  - Technical capabilities

# Ocean Platform future challenges

- Ocean Store Extension to all internal application platforms

Internal capabilities  
Knowledge management

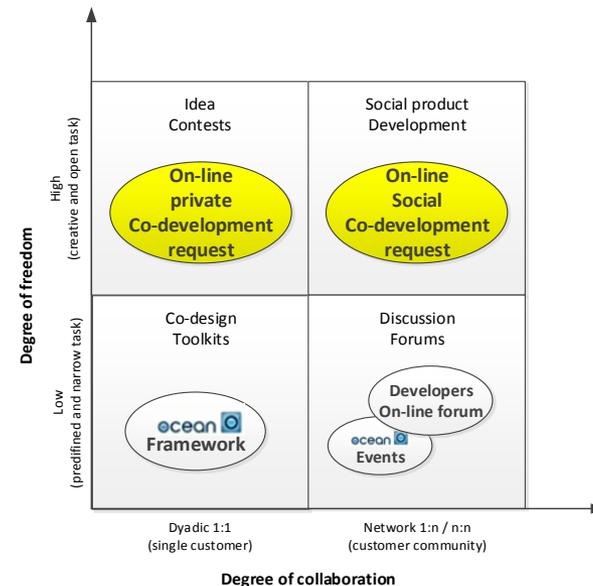
- Ocean Certified Partner program

Road map sharing  
Internal conflict management  
Commercialization

- Technical challenge

Real time  
Big Data (.NET ?)

- Open Innovation ?



# CONCLUSION

## An inspiring success story

- Extension to other internal platforms:
  - Studio in 2014
  - Techlog in 2015...

## A Innovation cross-model

- Platform Leadership
- Open Innovation

## Further Questions

- Extensibility management
- External Partner management
- Knowledge management

*‘We’ve realized recently that the Oil industry is still a little bit, it could move a little bit faster in the area of software platform. It’s a big focus for the coming future because the platforms are not open, so applications are not easily interoperable. And if they are not interoperable, then, this kind of loops can’t be closed very well, and analytics can’t be run in real time as this system requires. So the software interoperability and connection are absolutely essential...’*

*Ashok Belani,*

*Schlumberger Executive Vice President of Technology,  
September 2013*

Source: Energy Perspectives™ by Schlumberger Business Consulting, on line, available at [http://www.youtube.com/watch?feature=player\\_embedded&v=QMt\\_73fFt4Q#t=19](http://www.youtube.com/watch?feature=player_embedded&v=QMt_73fFt4Q#t=19), accessed 01-23-2013, 11’

# Questions ?

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