



PEGASUS
RISK MANAGEMENT

Pegasus Risk Management LLC



Global Leaders In
***Operational Risk
& HSE Management***



“In terms of Operational Risk, Pegasus is simply a master-class in how to achieve reliable, predictable performance”

“Pegasus uniquely combines innovative and pragmatic game-changing solutions with extensive, real world experience”

Why Pegasus?

Pegasus Risk Management LLC. was formed in 2013 by executives from the upstream oil and gas industry to provide leadership and innovative, game-changing solutions to common, stubborn performance challenges in Operational Risk and Health, Safety, Environment (HSE) management. Tired of seeing too many organizations struggle to achieve consistent, reliable, and predictable operating performance by reacting to outputs and results, Pegasus works to establish a single “line of sight” between those things made important at C-Suite and the resulting perceptions and behaviors driving performance at the worksite.



*Peter V. Bridle -
Founding partner of
Pegasus Risk
Management LLC*

Global Experience

One of the hallmarks of Pegasus is defined by its “real world” experience and a team that has worked inside many truly global corporations. The Pegasus team has unrivalled “hands-on” knowledge from working across the four corners of the globe and often in the toughest and harshest of operating conditions.

The Pegasus team has unrivalled global experience



Global Reach via Affiliates

Pegasus was formed as an independent, boutique provider, but retains the reach and depth of a global consultancy, so it can always meet the demands of large international clients. Pegasus is able to quickly scale its size via collaborative agreements with several highly regarded organizations within the global consulting community. This gives Pegasus unique access to an extended talent pool and specialist solutions. Established affiliate companies include:



Provides additional specialized technical resources in the areas of HAZID, HAZAN, HAZOP, Bow-Tie Analysis, HSE Cases and other safety engineering tools and techniques.



Awaken are well versed in HSSE Management Systems and embedding their requirements into day-to-day operations. Extensive “hands-on” global experience - especially in harsh climates.

Awaken also provides additional specialized resources in environmental management including ISO 14001 certification, detailed aspects / impacts analysis and other specific environmental assessments including global regulatory compliance plans.



ORC-HSE is the consulting arm of the US based National Safety Council (NSC) and has access to a highly regarded and experienced talent pool. Consultants typically have experience across a broad spectrum of different industries.

Reliable Operating & HSE Performance

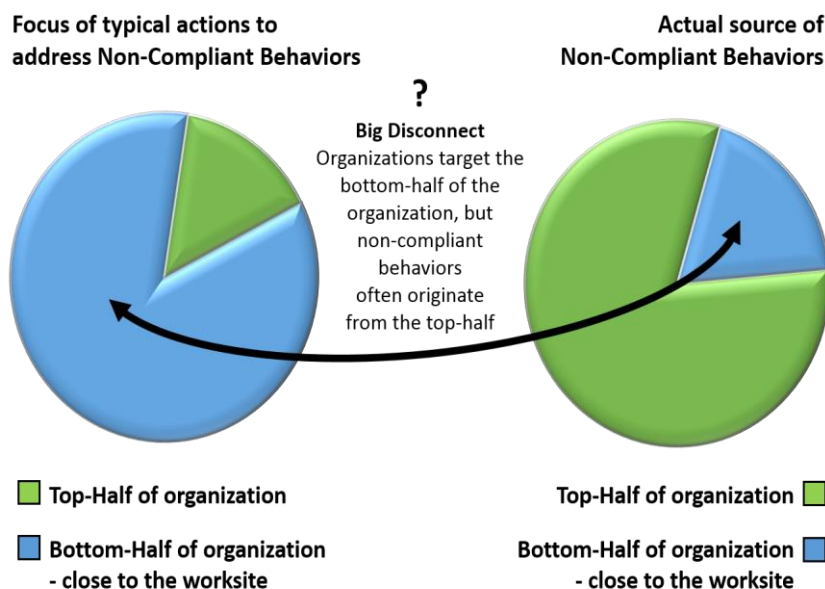
- A Frustrating, Elusive Thing

Do you really know what tomorrow will bring? How confident are you that a costly, unplanned, major event isn't just around the next corner? If your organization has ever been surprised or caught off-guard by a sudden deterioration in its operating and HSE performance it may be that you are simply not getting the whole picture when it comes to Operational Risk. When organizations measure performance by outputs and results they often believe that if nothing bad has happened today, then tomorrow should bring more of the same. But an imperfect system cannot produce perfect results. So when it comes to Operational Risk, metrics need to be employed that provide a more accurate picture of performance that brings a level of assurance that tomorrow will not bring unpleasant surprises.

The Harder We Try; The Worse It Gets!

Fortunately, for most organizations, major unplanned events are relatively rare. But it's precisely this infrequency that lulls organizations into a false sense of security and why steps taken in the aftermath of such events often falls short of anything that resembles a permanent "fix". The rationale being that if such events are uncommon, then when people perform work, deviations from policies or procedures must *also* be a rare and unusual thing. This line of reasoning - while palatable to senior leadership demanding assurance that a repeat event isn't imminent - may not necessarily reflect the true state of play. The harsh reality might just be that while incurring serious consequences may be a rare thing, unauthorized non-compliant actions and behaviors in the form of deviations from policy and procedures probably are not.

To make matters worse, organizations may actually foster cultures of "casual compliance" where non-compliant actions and behaviors become the norm rather than the exception. How so? Well if there's only something like a 1-3% chance of anything going seriously wrong when a risk or a short cut is taken, then conversely, there must be a 97-99% chance of effectively getting it right. In other words, if such actions and behaviors result in saved time / money, then individuals are likely going to receive *positive* reinforcement for their efforts. Result? the same actions and behaviors will almost certainly be repeated next time around and compliance goes from bad to worse. And if things weren't bad enough, when organizations react to a serious unplanned event, they often employ tunnel vision and miss the bigger picture. In other words, they focus their efforts on non-complaint actions and behaviors at the bottom-half of the organization, not recognizing that such things often originate from the top-half. Such efforts, while costly and time consuming to implement, end up adding little real value. So, while organizations are comfortable focusing on recognizable problems



close to the worksite, they are much less comfortable dealing with non-compliant actions and behaviors that are a symptom of a much wider problem - a failing operating culture.

Pragmatism meets Operational Risk

The key to managing Operational Risk lies in recognizing that the causes of non-compliant actions and behaviors do not solely originate at the worksite. That’s not to say that the C-suite are singularly accountable either, but more the recognition that *all levels* have a key role to play. And although organizations may frequently talk to achieving lower Operational Risk by re-stating the need for better procedural compliance, if the metrics for determining overall performance

does not include actions and behaviors, then the message from the top may become filtered, distorted or simply lost. Employees are no fools and if they repeatedly see that cost, time and other outputs and results are singularly the most important thing, then they will deliver upon request. So, it’s not enough that leadership sits on the sidelines, but are “hands-on” and proactive around Operational Risk. A good first step is to be able differentiate between the **TYPE** and **SCOPE** of all non-compliant actions and behaviors otherwise a serious mismatch may occur between causes and solutions resulting in costly efforts that add little value.

Non-Compliant Actions and Behaviors

There are two **TYPES** of non-compliant actions and behaviors - **Ability** and **Motivation**.

Ability infers that person(s) are simply not able to do what is being asked of them. Examples may include insufficient time, inadequate knowledge and / or experience etc. **Motivation** infers that person(s) have all the necessary ability but choose to deviate from expected ways of work.

Examples might include not following procedures or running equipment outside its normal operating envelope without prior authorization. The **SCOPE** of non-compliant actions and behaviors is split between **Isolated and Systemic**. **Isolated** infers that the actions and behaviors are limited to a specific set of circumstances or individual(s). **Systemic** infers that the such actions behaviors are more widespread and have become the “standard” way of doing things. The **TYPE** and **SCOPE** of non-compliant actions and behaviors are illustrated via the Pegasus 2x2 matrix (see below).

		TYPE of Non-Compliant Behavior	
		Ability	Motivation
SCOPE of Non-Compliant Behavior	Isolated	Unintentional Individual Errors, Slips, Mistakes or Lapses	Deliberate Individual Deviations from Operating Practices and Systems of Work
	Systemic	Deficiencies with Operating Standards, Competence Programs, Resources and / or Systems of Work	Operating Culture defaults towards Normalized Deviance and supports “Casual Compliance”

Many organizations struggle to deal with Systemic Motivation. This is often because when things go wrong their tunnel vision leads them to believe they have an Isolated Motivation disconnect close to the worksite, when actually this is a symptom of a much wider problem with the operating culture. So, as long as organizations measure performance by outputs and results, they become their own worst enemies, convincing themselves that as long as nothing bad has happened today, tomorrow must surely bring more of the same.

Portfolio of Products and Services

Pegasus Risk Management LLC was formed to provide leadership to the global upstream oil and gas industry in the areas of Operational Risk Management. However, from the very outset, such was the demand for services, that Pegasus soon began to provide consulting to other key industries including Energy and Utilities, Petrochemical, Manufacturing, Chemical and Pharmaceutical. As Pegasus continues to grow and further diversify, so does its portfolio of products and services. So, while individual clients demand tailored programs with specific tools and techniques, Pegasus routinely maintains a stable of the following products and services:

- **Major Operating Risk Management:**
Focusing on effective Barrier management for lower frequency, higher consequence events;
- **Operating Culture Transformation:**
Application of P-U-M-A™ and the 2 x 2 Matrix to develop effective solutions based on the **TYPE** and **SCOPE** of any non-compliant action and behavior;
- **Executive Coaching:**
Leadership development / mentoring around measuring and managing Operational Risk;
- **Third-Party Incident Investigations:**
(for complex events / multiple interested parties);
- **State of the art, risk-based systems of work:**
Designed to minimize duplication of effort and the potential for inefficient work flow;
- **Benchmarking and Third-Party Assessments:**
Establishing Operating Risk profiles including Operating Culture benchmarking;
- **Management By Walking Around (MBWA):**
Provides a rich data source for non-compliant actions and behaviors in relation to Barrier management;
- **In-house and public training workshops:**
Subjects include Major Operational Risk, Human Error, Incident Management etc. Delivered in collaboration with Marcus Evans, JUKES group etc.

What the Clients Have to Say...

Since its inception, Pegasus has always received votes of praise for its fresh thinking and pragmatic approach toward Operational Risk Management. As a result, Pegasus grows from strength to strength as the word spreads toward its no-nonsense philosophy that seems to resonate with so many leading organizations for being right on point. Below are just a small selection of comments from various clients across a broad spectrum of industries:

"A no-nonsense approach to Major Operational Risk"

"Pegasus got straight to the point and flagged the real issues we faced in next to no time"

"Pegasus has the experience to work at multiple levels of the organization at the same time"

"The workshop from Pegasus was second to none and the tools on offer immediately relevant and applicable to our ongoing challenges"

"Many companies offer services in this space, but few have the depth of real-world experience of Pegasus"

Industry Conferences, Papers and Speaking Requests

Pegasus is frequently asked to speak at various industry conferences and trade shows. The down to earth and pragmatic message that Pegasus offers always resonates with so many different types of audiences. Pegasus is also active with the Robert W. Campbell Institute and has authored many papers on the subject of Operational Risk and HSE management for the Society of Petroleum Engineers (SPE) and the International Association of Drilling Contractors (IADC) among others. Pegasus is also active via social media and frequently offers downloadable articles, insights and commentary on Operational Risk and Human Error via such sites as LinkedIn.

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