

45th Anniversary

pilko

THE PILKO POST

A Summary of Noteworthy 2024 Events, Publications, and Activities



L to R: Founder and Chairman George Pilko and fellow Founder Tom Roche stand alongside the firm's 1981 photo, joined by Jim Legowski, Pilko's first client and former Detroit Edison executive.

Pilko Celebrates 45 Years of Excellence

Pilko proudly celebrated the beginning of its 45th anniversary year on April 1, 2024. In honor of this milestone, the firm hosted a kickoff celebration on April 4 at the Houstonian Hotel's historic Manor House Estate in Houston.

"Reaching this anniversary is a testament to the dedication of our team and the trust our clients have placed in us over the years," said George Pilko, Founder and Chairman. "As we look to the future, we remain committed to our mission of helping clients manage risk and achieve their strategic goals."

In addition to the anniversary event, Pilko introduced a commemorative 45th anniversary logo, now featured on the company's website along with a special message from Founder and Chairman George Pilko, reflecting on the firm's journey and vision for the future. Read George's message [here](#).

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We Looked at the Possible Pitfalls of Megaprojects

By some estimates, 70% of all megaprojects fail. How can you guide your company to avoid the same fate? The first and vital step is to understand what defines a megaproject (it isn't just the cost), review the lessons learned, and explore historical key reasons why megaprojects failure occurs, then drive to a successful outcome.



Part One, *Most Megaprojects Fail, Don't Follow the Crowd*, characterized what constitutes a megaproject, and focused on critical elements before considering a major capital investment. By utilizing the Key Takeaways and Call to Action and recognizing the 4 KEYS to avoiding megaproject failure, leaders can ensure megaproject success.



Part Two, *Get the Business Case Right*, focused on the single most important element of any project: establishing a solid business case. By clearly establishing the project business case, which includes sound fundamentals and economic justification, companies increase the likelihood of project success and minimize risk.



Part Three, *Staying on the Rails from Startup to Execution*, explored the important aspects of successful projects: a well-staffed project management team (PMT), managing the critical path, and preparedness for successful startup and operation of the facilities.

The three-part Grey Paper is available [here](#).

We Answered the 4 Critical Questions for Divestiture Success



Divestitures bring about a transfer of ownership, often for extraordinary sums of money. Identifying all parameters plays a critical role in determining a successful transaction. Pilko published ***The Perfect Divestiture***, so readers could learn steps to a successful transaction, with nothing left on the table and no comebacks.

This Grey Paper served as a blueprint guide for sellers and buyers, highlighting specific points that should be considered, touching upon each of the **4 Pillars to Divestiture Success**.

1. Operational and EHS Guidelines
2. Scope and Boundaries
3. Ownership
4. Negotiations

Read the expanded details of the 4 Pillars, and full Grey Paper here:



Read **The Perfect Divestiture** [here](#).

We Shared the Keys to Unlock a Stronger and More Efficient Management System



In the Grey Paper **MANAGEMENT SYSTEMS: Why You Should Care...and Act!**, we began with the basics: defining what a management system truly is. It's not just a collection of policies, procedures, and tools—it's the "how" behind achieving organizational objectives. Importantly, we clarified that every company, whether by design or default, already has a management system. The question isn't if you have one but whether it's working for you—or against you.

Assessing Effectiveness

To determine the value of a management system, we asked three fundamental questions:

1. Is it helping you achieve desired results?
2. Is it the most efficient way to meet objectives with minimal bureaucracy?
3. Does it unify your organization, or does it create barriers?

These questions resonated with senior leaders, prompting many to rethink their approach to management systems.

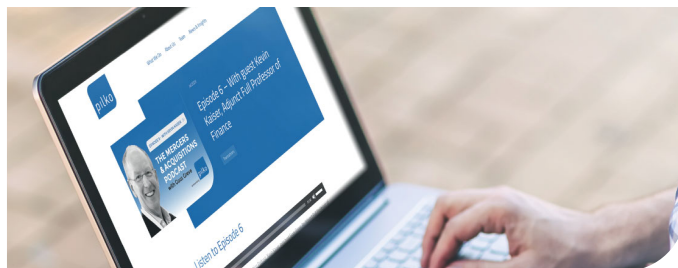
The Grey Paper also outlined 12 practical principles for building and maintaining an effective management system, from simplicity and consistency to clear role definitions and the elimination of workarounds.

The response to this Grey Paper confirmed a universal truth: when management systems align with organizational goals, they don't just support operations—they drive transformation. The journey to operational excellence starts with asking, "Does our management system serve us—or are we serving it?"



Read the full Grey Paper [here](#).

Pilko's Popular M&A Podcast Series Returned for Season 2



This podcast series, hosted by Guus Greve, Senior Executive at Pilko & Associates and former Director of Shell Downstream M&A, continued to provide engaging content in 2024, and his M&A guests delivered essential insights for M&A professionals, corporate executives, and board members involved in managing deals.

Episodes explored critical deal-making topics, focusing on "How to Do Better Deals" and "How to Do Deals Better." Featuring a wide array of prominent guests, Guus' real-world expertise, actionable advice, and lessons learned from both historical and current transactions, the M&A podcast saw huge gains in momentum and listeners.

Key topics included:

- ▶ Successfully guiding a Deal Team
- ▶ How to execute a serial acquisitions strategy
- ▶ Improving negotiation skills
- ▶ The latest trends in the energy and chemicals M&A market

Whether you're navigating your first deal or refining your approach, **The Mergers & Acquisitions Podcast** continues to be a go-to resource for improving outcomes and making smarter decisions in the complex world of M&A.



Episodes of the M&A Podcasts are available for listening [here](#).

To receive notices of upcoming podcasts, sign up [here](#).

We Learned How to Measure Safety Culture...and Why it Matters

"Culture" – it's one of the most talked-about, yet least understood, concepts in today's workplace. Maybe you've been told that your location or company has a "bad" culture, and now it's on you to figure it out, fix it, and make things better. But where do you even start?

At Pilko, we've discovered that while many factors shape an organization's culture, one stands out above all others: the behavior of leaders. If you're serious about transforming your culture, the first step is to look in the mirror. Your leadership behaviors set the tone for everything else.

In the Grey Paper *Measuring Safety Culture*, we tackled the big questions leaders face: *What exactly is culture? What does a "good" culture look like? How can you accurately assess and improve your organization's culture?*

This guide was packed with practical strategies to help leaders truly understand their culture and take actionable steps toward meaningful change. If you're ready to lead the way in creating a better, stronger culture, this Grey Paper is your blueprint.



Read *Measuring Safety Culture* [here](#).

Pilko Kicked Off 45 Years in Style, and a Look Ahead!



We look forward to continuing our 45th year, embracing 2025 with hope and new opportunities



On April 4, 2024, Pilko proudly launched its 45th anniversary with a kickoff celebration at the iconic Houstonian Hotel's Manor House. This unforgettable evening brought together an inspiring mix of current and former clients, industry leaders, and esteemed guests, alongside Pilko team members past and present. Guests enjoyed an elegant affair featuring exquisite cuisine, live music, and vibrant conversations.

This milestone event was more than a celebration—it was a testament to the legacy of trust, expertise, and innovative solutions that Pilko has built over nearly five decades. It also honored the invaluable partnerships and loyalty of our clients and collaborators who have fueled our shared success.

As we look back on this incredible journey, we're also setting our sights on the future. The upcoming year promises to be an exciting one, featuring the launch of a new **Safety and Operational Risks Podcast**, Season 3 of the popular **M&A Podcast**, the 3rd Annual **Governance Forum Summit in Park City**, and much more.

Thank you for being an integral part of our story. Here's to the next chapter of driving safe, reliable, and transformative performance for the energy, chemical, and related industries. Stay tuned for more updates as we continue this extraordinary journey together!