

# Developing Successful Local Partners and SMEs

Including women owned and managed  
Small and Medium Enterprises



T&M Associates' success in developing Small and Medium Enterprises is due to our people and our local partners. With our support, our local partners have become the in-country resource for the development and capacity building of local and regional SMEs and these SMEs are winning contracts, including with international oil and gas companies.



How do we achieve this? The secret is our people. Our professionals and subject matter experts draw from their experiences working for large international companies in heavy industry, many for over 25 years. They not only bring Local Content expertise but also a deep understanding of O&G operations, and operational requirements, sales and marketing, and an engineering background. We embed these highly experienced professionals in our local partners' staff.



In addition, we bring in highly qualified short term subject matter experts to supplement and coach both our local partners and local SMEs. The results of this very effective skills and knowledge transfer are local companies capable of developing local SMEs, local companies capable of developing capacities regionally, and most importantly local SMEs winning tenders with international companies.



## Examples of SME development in the oil and gas sector:

### Example 1:

Absheron Engineering LLC is a small woman owned and operated Mechanical and Electrical Engineering Company based in Baku, Azerbaijan. Absheron provides engineering, design

services, security systems, and construction services for heavy industry, retail and commercial buildings. T&M Associates has worked with Absheron since 2011 to help them develop the sales and marketing, to prepare proposals, and to navigate through the multistep international tender process. Like many SMEs, Absheron needed support on how to communicate their offering, complete the international tender documents, and work with procurement. T&M provided the support and training through a series of one-on-one consulting and group



training courses to help improve Absheron's ability to compete for oil and gas tenders. In 2012, Abscheron won a small contract (\$250 K) with BP that allowed them to demonstrate their technical skills. In early 2013, Abscheron was invited to participate in a major multi-year HVAC service contract RFP for BP. In October 2013 with our continued support, Abscheron was awarded a 5-year multi-million dollar contract covering Azerbaijan and Georgia to provide HVAC design, installation and maintenance services.

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## Example 2:

Azerms LLC is an Azerbaijani owned and operated training and consulting firm. Azerms was founded by 4 partners, including 2 women (Kenul Aliyeva and Aynur Aytar). In late 2009 with the support of T&M Associates, Azerms won the contract to support BP's Enterprise Development & Training Program (EDTP) in their supply chain localization efforts.

From 2010 to 2012, T&M Associates embedded Dr. Tom Deeb in Azerms' business operations, as well as providing several subject matter experts as needed. T&M

Associates used their in-depth analysis process to evaluate BP spend, the risk and technical difficulty of each good or service, and then in close collaboration with BP developed a portfolio of goods and services to be localized, from translation language services to fabrication, engineering, and highly technical areas such as well cement and base oils. Together with Azerms, we then conducted in-depth market intelligence analyses to determine which goods or services are available today, in the near future, and longer term. The analyses were used to develop a multi-year local content strategic development plan.



T&M Associates, together with Azerms, provided training to well over 100 local suppliers, including in HSE, quality, food safety for catering, waste management, operational organization and development, and specific technical areas such as metal fabrication and traceability. We worked with firms to achieve product certification to API and ISTM standards. We provided training and capacity development for sales, marketing, responding to RFPs, as well as post-contract customer service.



This collaboration resulted in a win-win outcome for all stakeholders:

- BP has realized millions of dollars in savings, and a less than 12 month payback with a substantial ROI over the last 3 years. This effort won the regional Helios award and is a finalist for the BP Global Helios.
- Azerms won the continuation of the tender while bidding against international companies and continues to operate the EDTP center.
- Local suppliers in Azerbaijan benefited by:
  - o Dozens of local companies have won contracts in excess of \$300 million with BP.
  - o Local companies increased the number of full time employees by over 500.
  - o Local companies increased investment by ~ \$8 million (local supplier investment dollars)
  - o Demonstrated the value of development to deliver new business (spill-over effect) -- Local companies also won about \$25 million additional contracts outside of oil and gas.



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## Example 3:

Ukraine International Institute for Food Safety and Quality (IIFSQ) is a small women owned food safety and quality consulting and training firm. In 2009, T&M Associates has partnered with IIFSQ as a way to increase business in the former Soviet Union by creating a strong regional service provider. While highly technically trained and capable they lacked business skills, marketing, sales, the ability to prepare budgets and proposals. Over the years T&M Associates worked closely with IIFSQ management providing business skills development, proposal writing, a 5-year business plan, and sales and marketing tools. Through the relationship IIFSQ and T&M Associates won several contracts in Ukraine and Azerbaijan (including for camp catering providers) and over time we helped IIFSQ expand into Georgia and Armenia.



This established IIFSQ as the leading food safety consulting and training firm in the region. T&M Associates went from the prime contractor to a sub-contractor to IIFSQ on projects. Through this relationship we helped IIFSQ double their billing rates, increasing the personal income, increase their offerings and quadrupled their annual revenues.



## People Make the Difference

At T&M Associates, our success in achieving local content implementation is due to the people we work with. Our programs are designed to leverage the extractive industry buying power to create jobs, attract new investment, and develop and unleash SME potential in manufacturing and service industries. We do this in a way that brings together stakeholders from industry, government, academia, donors and NGOs and other industries and drives success for all participants.

