# Budget Management and Management Control in the Oil and Gas Industry

18 – 22 October 2027
Barcelona

## Budget Management and Management Control in the Oil and Gas Industry

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# About This Programme

Budget Management and Management Control in the Oil and Gas Industry is a one-week programme delivered by Mars Training Centre UK for finance directors, asset managers, operations leaders and senior controllers who are accountable for how money is planned, committed and tracked in energy organisations.

Oil and gas budgets are unlike those of most industries. Capital commitments are large and long-dated, revenue moves with commodity prices that management does not control, and costs are shared across joint ventures, partners and contractors. A budget that ignores these realities is out of date within a quarter. This programme shows how to build budgets that hold up under price movement, and how to design the management controls that keep spending aligned with strategy.

The week is practical. Delegates work with structured templates, realistic case material from upstream, midstream and downstream settings, and applied exercises built around their own business area, and leave with a working budget and control framework they can take back to their organisation.

# What You Will Learn

By the end of this programme, you will be able to:

- Build capital and operating budgets that reflect the structure of an oil and gas business, from field or plant level upwards.
- Distinguish capital expenditure from operating expenditure and apply approval and authorisation discipline to each.
- Construct budgets under different oil price and production scenarios and test how sensitive the plan is to each.
- Analyse unit cost measures, such as cost per barrel of oil equivalent, and interpret what they reveal about performance.
- Diagnose budget variances and separate volume, price, efficiency and timing effects.
- Design a management control system that links strategy, budgets, targets and accountability.
- Evaluate responsibility centres and choose performance measures that suit each one.
- Interpret joint venture budgets, cost recovery and partner reporting at a working level.
- Apply rolling forecasts and re-forecasting to keep the plan current during the year.
- Lead a budget review conversation with operations and technical colleagues.

## How You Will Benefit

You will leave with a clear method for building and defending a budget, a practical toolkit for tracking spending against it, and the confidence to challenge assumptions in front of technical and commercial colleagues. Each delegate receives a Mars Certificate of Completion on the final day.

Your organisation gains a manager who can connect financial plans to operational reality, spot cost drift earlier, and strengthen the link between approved spending and delivered results.

## Who This Programme Is For

- Finance directors and heads of finance in oil, gas and energy companies
- Financial controllers and planning and budgeting managers
- Asset managers and operations managers with budget responsibility
- Heads of business units and cost centre owners
- Project and programme controls managers
- Commercial and joint venture managers
- Internal audit and performance management leaders

**Senior manager level and above.**

## How the Week Unfolds

### Day 1 — Budgeting in the Oil and Gas Business

The first day sets out how the industry's economics shape the budget, and how a sound budgeting process is organised from the first assumptions to final approval.

- The oil and gas value chain and where costs and revenues arise
- Purposes of budgeting: planning, coordination, authorisation and control
- Budget structure: field, plant, asset and corporate levels
- Planning assumptions: price, production, exchange rates and inflation
- Top-down targets, bottom-up submissions and the annual approval calendar

**Case study:** An upstream asset prepares its first budget under a falling price assumption.

**Workshop:** Draft the planning assumptions and calendar for your own business area.

### Day 2 — Operating and Capital Budgets

The second day separates the two budgets that every energy organisation runs, and looks at how each is prepared, approved and monitored.

- Operating cost budgets: fixed, variable and shared costs
- Capital budgets: sanction stages, authorisations for expenditure and contingency
- Maintenance, turnaround and shutdown budgeting
- Unit cost measures and benchmarking
- Zero-based and incremental budgeting, and budgeting for long-term obligations

**Case study:** A downstream facility plans a major turnaround within a fixed annual cost envelope.

**Workshop:** Build an operating and capital budget outline with unit cost targets.

## Day 3 — Scenarios, Forecasting and Variance Analysis

Budgets in this industry are tested early by price and volume movement, so the third day focuses on forecasting and on understanding why actual results differ from plan.

- Price and production scenarios and sensitivity testing
- Rolling forecasts and re-forecasting during the year
- Volume, price, mix and efficiency variances
- Separating controllable from uncontrollable variances, and timing effects
- Reporting variances clearly to senior management

**Case study:** A mid-year price fall forces a re-forecast of an asset's spending plan.

**Workshop:** Analyse a set of actual-versus-budget results and write the variance commentary.

## Day 4 — Management Control Systems

The fourth day moves from the budget to the wider control system, and how responsibility, measurement and incentives are arranged to support strategy.

- Elements of a management control system and the behavioural effects of targets
- Responsibility centres: cost, revenue, profit and investment
- Financial and non-financial performance measures, including the balanced scorecard
- Internal controls, delegated authority and approval limits
- Joint venture budgets, cost recovery and partner reporting

**Case study:** An integrated energy company redesigns responsibility centres across business units.

**Workshop:** Design a control framework with measures and reporting lines for your own function.

## Day 5 — Synthesis and Personal Action

The final day brings the week together into a personal plan that delegates can apply directly in their own role.

- Review of the key budgeting and control tools
- Reflective discussion and faculty coaching on live issues
- Prioritising improvements to your own budget process
- Presenting and communicating the budget to leadership
- Completing your personal action plan

**Workshop:** Present your action plan and receive feedback from faculty and fellow delegates.

## How the Course Is Delivered

- Facilitator-led interactive sessions, balancing teaching with discussion and applied exercises.
- A balanced mix of theory, regional case studies, and applied exercises.
- Validated diagnostic and self-assessment tools.
- Applied exercises and personalised coaching throughout the week.
- A personal action plan built progressively across the week.
- Continuous personal feedback from your lead faculty.

## Your Mars Certificate

On completing Budget Management and Management Control in the Oil and Gas Industry, each delegate receives a Mars Certificate of Completion, presented on the final day of the programme.

The certificate records the programme title and the dates of attendance, and confirms that the delegate has completed the full one week.