Sustainable talent management in Oil & Gas
Maximising the value of your people

In conjunction with the falling oil price, people and capabilities is a major issue in the Oil & Gas industry. While many organisations are looking to implement workforce reductions, you need to make sure these are focussed and sustainable. In the current climate companies are still faced with a choice. You can compete in the war for talent and critical skills, but this leads to increased costs, and you still need to work hard to keep your top talent, as they become more transient and move to the highest bidder. Or you can think and act differently, making the most of what you have.

We believe organisations are not yet extracting full value from the resources they already have. In the current environment there is still scope to be innovative and get more from your people, processes and systems, increasing your overall operational performance and reducing your costs. Why fight for more talent unless you believe you have already received the highest return from your existing investment?

You need to be confident your HR function has the skills, capabilities and processes to help you realise your goals, whether that be growing, sustaining or adapting your business. Making the most of your existing talent will require well-defined competence, performance and talent management strategies embedded across the organisation. Bringing in new people, from different territories, means you need to have processes in place to create a consistent set of cultures and behaviours across all areas and territories of the business or you risk diluting your core values and behaviours.

Successful organisations will think and act differently to make the most of what they have.

Your HR function has to act as an enabler, a strategic partner to the business helping it to achieve its goals.
**Our approach**

Based on our research, it is apparent that the Oil & Gas industry is still relatively immature in terms of designing and implementing its people processes, and one of the biggest challenges facing organisations is having effective processes in place to manage and develop their talent.

However, the level of maturity in relation to your people processes and systems must reflect the needs of your business. Different aspects of your people and capabilities are relevant depending on where your business is in its life cycle, i.e. start-up, growth, mature, divesting, and you need to focus on the activities that have most impact and value add, and that deliver the right business outcomes.

We have a wide range of solutions designed to give you the control and confidence you need to get the most out of your people. These solutions are loosely based around 5 key themes that we believe lie at the heart of leveraging your existing investment in your people and underlying HR systems and processes:

1. **Attracting and keeping your best people**  
   It is important to have a clear talent management process that delivers your employment promise. This will give you competent people in the right location at the right time and produce the right outcomes for the business. One of the key reasons identified from our research for high turnover is the lack of a defined career path or well-defined career development opportunities. Organisations should consider how they are managing their existing competences and make sure that these are aligned to business goals. This will allow your people to understand the skills and critical competences they require, both now and in the future. Organisations also need to offer competitive reward and recognition packages, with an increased emphasis on ‘whole reward’ – benefits, development, workplace, flexibility, culture – in addition to base salary.

2. **Global Business model**  
   Lack of consistency in people processes and policies across different territories can freeze people in their current locations, leading to reduced mobility and limiting the organisation’s ability to leverage the skills and capabilities it already has. Organisations should consider establishing a highly mobile workforce, which will enable more collaborative global working and allow for the sharing of scarce resources. In addition, as the supply chain and sub-contracting markets mature and organisations re-focus on their core skills, successful businesses in the future will work more collaboratively with their partners to leverage their respective skills and maximise value add. This requires a different organisational model, mindset and set of capabilities.

3. **Addressing organisational ‘flaws’**  
   To operate safely, organisations need to embed their culture and values across all the territories in which they operate. Behaviours need to be consistent across the organisation and ingrained in everyday working practices, with clear policies widely adhered to, and re-enforced and with known consequences for non-compliance. Organisations which do not have this rigour in place may be faced with higher levels of HSE reportable incidents. Senior leaders need to be confident they understand the operating and safety risks inherent in their global business and have mitigating actions in place to provide the level of confidence that their reputation is safeguarded. As part of this analysis, the operational risks and ‘bad’ behaviours must be understood and addressed.

4. **Strong leadership and culture**  
   An organisation’s leadership has to be aligned to its values in order to drive the right behaviours; this applies to all levels of leadership from the C-suite to front line leaders. The industry’s reliance on contractors means that a common organisational culture is vital, in order to get buy-in to the organisation’s strategic goals and reduce turnover. A common challenge for Oil & Gas organisations is implementing effective performance management processes. Many front line leaders find it difficult to be both coach and manager and to have honest and open conversations with their people. Leaders have to see themselves both as coaches, responsible for their people’s development, and managers executing work.

5. **HR as strategic partner**  
   The question that organisations need to ask themselves is: what do I want from my HR function? In terms of basic services, the function should provide a minimum level of consistency across people processes and promote a standard set of behaviours and values. However, there is scope to make the HR function a strategic partner to the business, enabling the latter to achieve its goals. In our experience, an HR function with a seat at the top table and the right level of investment can drive significant improvement in people planning, competency management and operational effectiveness.
How we can help

We can provide you with a platform, tailored to your organisation’s requirements, to help you achieve your desired people-related outcomes:

**Communications**
- Leadership tone
- Communications strategy
- Channel strategy
- Communications function effectiveness

**Leadership alignment**
- Leadership capability and alignment
- Change assessment and implementation
- Front line leadership development

**Culture and behaviours**
- Behavioural assessment
- Change assessment and implementation
- Cultural risk assessment
- Policies and compliance

**Competency management**
- Competence Management
- Strategic fit assessment
- Recruitment
- Organisation structure and roles

**Workforce and talent**
- Talent Management
- Strategic mobility consulting
- Manpower planning
- Succession planning
- Performance Management

**Reward and recognition**
- Reward modelling
- Whole reward strategy
- Performance Management
- Talent and succession

**Our methodology**

1. **Assess**
   - Understand the current state and the need for change
   - Detailed review of the current state of your people processes and your requirements through desktop analysis, structured assessment and interviews.
   - Develop an initial case for change, identify improvements and quantify benefits.

2. **Design**
   - Create a vision for an ideal or desired state
   - Create an attainable future state
   - Co-create a people vision based on your business and people needs and introducing leading edge practice.
   - Develop governance and associated process and systems to promote business ownership and delivery of the business outcomes.

3. **Construct**
   - Build new ways of working
   - Plan for the implementation rollout
   - Detailed design of how your people processes will be developed, potentially covering areas like Talent Mgt., Competence Mgt. and Performance Mgt.
   - Develop an implementation plan and assign sponsorship and ownership of benefits.

4. **Implement**
   - Execute the implementation plan
   - Pilot the developed solution and review the impact of the revised processes on both operational (business) and individual performance.
   - Full implementation with assignment of roles, responsibilities and accountabilities.
   - Supplemented with the necessary training, feedback and coaching to embed the process and behaviours.

5. **Operate and review**
   - Sustain the results
   - Constant review and reflection of performance
   - Monitor the operation of the new processes through regular reviews.
   - Support the team to embed the new ways of working through continuous improvement activities.
   - Review operational and individual performance and assess the benefit.
### Our track record

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| Design and implement a new organisation and people practices to enable the site to run safe and reliable operations. | - A late life asset in a remote location needed to be transformed into a safe, reliable and high-performing asset.  
- The operation was under-resourced, due to both insufficient headcount and difficulty in attracting people to remote location working.  
- A large proportion of people currently working on site were local, creating a strong embedded culture of cynicism and lack of engagement about the long term future of the asset.  
- There was a history of change failing or having limited impact on site.  
- Employee relations were poor with high levels of mistrust in management, little flexibility in working practices and restrictions on multi-skilling. | - **People**: established a revised organisational structure and implemented workforce planning, including a new rotational employment model. Increased access to skills pool and upgraded competence and capability on site.  
- **Logistics & Infrastructure**: established a systematic process for transporting and accommodating employees to/from the site.  
- **Communications**: ensured employees and key stakeholders were informed, consulted and engaged in the changes, building motivation and positive momentum for change. Supported by changes in leadership behaviour and performance.  
- **Industrial Relations**: delivered changes to organisation structure, resourcing, standardisation of ways of working whilst mitigating the risk of industrial action. | - Organisation structure was redesigned resulting in 30% change in headcount/posts.  
- Rotational working was introduced to allow access to wider resource pool – all posts, including previous long standing vacant posts were filled.  
- Levels of employee engagement have improved, 80+% of people agree the changes made were necessary and pride in the ‘place to work’ has been returned.  
- The Employee Relations environment has significantly improved, with a new site agreement now in place with the Unions.  
- Overall key site metrics have improved creating a step change in performance, reducing the asset risk profile, whilst maintaining 100% availability. |