

Optimising Reserves: Active Career Management for Oil & Gas Professionals

Few industries offer such exciting, dynamic and varied careers as oil and gas. After all, where would you find such large capital projects in so many different parts of the world? Which industry is more closely linked to the geopolitics of whole regions and their socio-economic development? Which industry embraces so many career disciplines, processes or technologies?

Some may argue, given a challenging oil price magnified by environmental pressures, that the best days of the industry are behind it. We disagree. Products delivered by the oil and gas value chain will continue to be very much in demand for at least the next 50 years. This means that the oil and gas industry will continue to be a great career for people either entering the industry or already in it.

Of course the turbulence that we are now experiencing will continue. People will lose their jobs due to market consolidation or changing patterns of supply and demand. This type of disruption will continue as a rule, rather than an exception (and is no different from many other industries facing technological or regulatory change).

This white paper by Ken McKellar shows how, in this climate of turbulence and disruption, oil and gas executives at all levels of seniority can continue to enjoy fulfilling careers in the industry. The way to achieve this lies in “**active career management**”, ensuring that you are well-prepared at any time for any eventuality, whilst moving your own career forward on your own terms.

In this paper, Ken identifies key areas of career management which all oil and gas executives should be constantly developing, maintaining and re-appraising. Active career management is a time-consuming process but pays enormous dividends. We argue that the most successful oil and gas executives are those who pay most attention to the areas that we cover here. They are ready for anything that their organisation or the wider world economy may throw at them.



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About Warren Business Consulting

We deliver Oil & Gas courses all over the world, helping NOCs, IOCs and service companies develop local talent. We believe success in the international oil markets depends on a thorough understanding of the industry's complexities. Technical expertise is not enough – it is essential to understand the geopolitics, the technology, the finance and the many different stakeholders, as well as knowing how to get the best out of a team.

As well as public courses, we also run in-house programmes, customised to meet clients' needs.

"Hands down, the "3 Day MBA in Oil & Gas" is the quickest, most effective way to understand the E&P business model. I wish I had taken this course at the beginning of my career."

Upcoming Courses

- November 7-9: 3 Day MBA in Oil & Gas, London
- November 28-30 3 Day International Oil & Gas Contracts, Lagos
- January 23-24, 2017: Contracts & Negotiations in Oil & Gas, London
- February 13-15, 2017: 3 Day International Oil & Gas Contracts, Jakarta
- February 13-15, 2017: 3 Day MBA in Oil & Gas, Abu Dhabi
- March 13-15, 2017: 3 Day MBA in Oil & Gas, Lagos
- March 20-21, 2017: Risk Management, London
- March 20-22, 2017: 3 Day MBA in Oil & Gas, Jakarta
- April 3-5, 2017: 3 Day MBA in Oil & Gas, London
- April 24-25, 2017: Project Governance in Oil & Gas, London
- May 8-10, 2017: 3 Day MBA in Oil & Gas, Houston

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Key Areas of Career Management

What, in our view, are the key areas of career management? We have identified 8 in total and will cover each of them in more detail in the chapters below:

1. Capability self-assessment
2. Informal feedback
3. Success stories
4. Personal Branding
5. Stakeholder management
6. Networks
7. Career plan
8. Continuing professional development

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These areas are logically ordered: the earlier ones have more of an internal, reflective focus, whereas the later ones are more externally orientated. It is important for executives to have a clear view of their own successes, strengths and aspirations before they project these into their wider working and social environments. All too often, we come across executives who complain about a lack of success either in their current organisations or in seeking a new position. The reason for this is that those around them are unclear about what the executive has to offer or wants. Focusing on the earlier areas will always change this for the better.

It's important to stress that active career management is not about playing internal office politics, or self-promotion at the expense of others. More than ever, successful careers depend on teamwork and collaboration across regions and functions – this cannot be achieved by ignoring the interests of colleagues or the company.

1. Capability Self-Assessment

We typically use a capability self-assessment tool when working with executives on the problems of aligning people strategy to a business plan. The tool covers four main capabilities:

- a. Understanding the environment
- b. Leading & Involving people
- c. Mastering complex business problems
- d. Leading results

Each executive ranks him/herself on a scale of 1 to 7 according to whether a particular capability is present or absent. We deliberately avoid the notion of “good” or “bad” here, as it may not necessarily be a disadvantage if a particular attribute is less rather than more present. A current or future role may not even demand it. The important thing is that each executive is honest with him/herself in completing the tool and that the outcome is not prejudged.

To encourage this honesty, in our work, the executive discusses his/her own capability assessment with a colleague; the roles are then reversed and the colleague discusses his/her own capability assessment. The benefits of this capability self-assessment are numerous: self-reflection is greatly increased; there is a powerful realisation of whether you have the right capabilities for the job you are doing (and if not, whether this really matters in

Regular and honest self-assessment ensures you know where you stand for potential future roles

the broader context); and if you have your eyes on a future role, you understand the extent of your capability for it.

It's best to do this capability self-assessment on a regular basis, so that at any given time, you know where you stand in relation to current and future roles. It is also important to carry out this self-assessment with someone you know and whose opinions you trust. They can often see what you cannot and tend to be more balanced critics.

2. Informal feedback

All oil and gas companies have a formal feedback process as part of their appraisal process. While this is useful, it is quite different from the informal feedback which should be a regular element in active career management.

We suggest that you should have a one-on-one conversation, for an hour, say every two years, with about 12 people whom you regard as most influential in your career to date. A mix of senior people, peers and more junior people will give you the greatest diversity of views.

Informal feedback from your network can give you a new perspective on your strengths

We know that it is more difficult to have this sort of conversation with people inside your organisation than outside it. In the case of internal participants, it can be useful to choose someone who is well away from your own chain of command, or someone who is so senior that they will not

have an immediate effect on your career or promotion prospects.

In the case of external participants, it can be useful to choose people in organisations of a size and complexity similar to your own, which you may see as potential future destinations. And there may be circumstances where you feel it would be more effective and appropriate for a third party to ask the questions – we do this ourselves on behalf of our clients.

Of course, this depends on having a good network of contacts that you can approach – see chapter 6 on networking.

Once you have compiled the list of 12 or so people, you have 4 questions to ask:

1. What are my real strengths?
2. What situations should I be careful of?
3. What should I do next within my current organisation – or even outside it?
4. How can you help me?

As strong supporters of positive psychology in our work with individual clients and groups of executives, we deliberately phrase the questions in this way - particularly question 2. We are much keener to emphasise the positives in a person's career than to try to work on their development needs. Our experience time and time again is that much greater progress and success is achieved by focusing on the positives, particularly in mid-to-late career.

Question 3 acknowledges that these questions should be unconstrained by your current environment. In other words, if the work you do on your own capabilities, together with the informal feedback, strongly point towards a move to another organisation, you should carefully consider this as an option. It is, after all, good active career management. Question 4 may appear obvious (and even too direct), but it is surprising how many people feel privileged and flattered when asked for advice and help.

3. Success stories

It is astonishing how few oil and gas executives can concisely describe their career successes. Yet good active career management demands this. There will be many occasions when you are called upon to do this – at an informal gathering, in a lift with the CEO, at a formal presentation, and you

Few oil and gas executives can concisely describe their career successes – but it's a vital part of career management

need to draw upon memorable facts or anecdotes about your experience.

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For example, a senior executive in one of the world's largest national oil companies keeps track of every M&A deal he has executed throughout his career, and is able to mention the very impressive figure of \$21bn in such conversations, positioning himself as an experienced player in M&A. As the saying goes: "luck is where preparation meets opportunity" - if these success stories are well-prepared and an opportunity presents itself, the luck will be created.

To prepare your success stories, answer and then commit to memory and in writing three simple questions: what did I find, what did I do, and what did I leave behind? Each question must be supported by metrics or other evidence which make the successes come alive, and also place them in context. They will tell the listener how you might solve a problem they are aware of – and where he or she might place you in a current internal or external job opportunity that is about to be created.

Take the example of an executive positioning himself as a turnaround expert: he tells the story of taking over the day-to-day running of an E&P company. He found it to be technically insolvent. Within 9 months he and his team had paid off creditors, recapitalised the firm, brought in new management and a strategic equity investor and secured bank finance to see the company through the next two years. Final result – the company was later sold for a large multiple of its original recapitalised value. Such a story would immediately interest anyone seeking help with an underperforming investment.

What did I find, what did I do, what did I leave behind ?

Do not worry if this feels like boasting: in the right context, it won't come across as self-promotion – and you will know when the context is right. Success stories are a key building block of the branding and messaging which successful executives use to promote their skills to a wide range of audiences and develop their career accordingly. This is an elegant way to introduce the next topic.

4. Personal Branding

So many people complain to us that they are making no progress in their attempts to move to a new, more senior role, within an organisation. "I've put my name forward on countless occasions but I can never get the role I want" is the familiar complaint.

Even if you are fully aware of your own capabilities, have received excellent informal feedback

Job titles and company names aren't enough to position you

and can articulate your success stories well, you will still fail if your branding and messaging are poor. Just as your company needs a strong brand and a convincing "elevator pitch", so do you as an individual if you are to stand out in the crowded career market. This is about developing a positive reputation for your skills, experience and behaviour.

Job titles or company names aren't usually enough to position you; try to illustrate the problems you solve or the experience you provide. People you talk to don't have the time or inclination to work out what you want. They need interesting, digestible chunks of information about you that

immediately provoke their thoughts: who might be interested in you, what might be available for you, how could they help.

For example, in the sub-surface world, rather than simply saying “I am a mud-logger” you might add “I’m the first person who will tell you whether oil might be physically present based on tangible evidence – ie whether it’s been worth drilling.” Or a Reservoir Engineer would explain “My expertise is in predictive modelling of oil and gas flows – calculating the reserves that determine the profitability of any discovery.” In both cases, the additional statement emphasises the value you bring, not just the job function. Of course, it’s a good idea to adapt according to your audience – a senior HR or Finance manager may have different levels of technical knowledge compared to someone with an engineering background.

Emphasise the value you bring, not just your job function

Some executives approach this by talking about their beliefs or motivations – eg in relation to team management skills, “I love helping junior staff develop their careers” – and back this up with stories of successful careers built from your team. Or “I’m a great fan of using predictive modelling and scenario planning to solve complex problems...”

To get your messaging spot-on, you will need a well-prepared internal CV to distribute to people within the organisation to show your skills, expertise and experience. You should also keep an up to date, external CV ready at all times. This is not being disloyal at all to your organisation: it is simply good active career management, in case your job suddenly disappears as a result of circumstances beyond your control.

It is also good practice to ensure that your CV is in the hands of your own external networks, including those who have given you informal feedback. Although they themselves may not have any immediate opportunity, they may know someone who has. But never send out your CV without a conversation with the recipient first. Human interaction remains the most powerful form of communication.

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It’s not necessary to distribute your CV to hundreds of search consultants as part of your career management programme. If you have done your job well in keeping your branding and messaging fresh within your organisation and to your external network, search consultants will have no trouble in finding you if they need to speak to you about opportunities (see article on next page).

5. Stakeholder management

One of the most critical aspects of active career management involves the way executives satisfy the requirements of a numerous and growing body of stakeholders. By “stakeholder”, in this context, we mean those who are affected by, and can influence, your current role. The one rule of stakeholder management is that there are always more than you think!

They will include bosses, direct reports, internal clients, peers, external clients or suppliers and

Rank each stakeholder according to criticality and influence to help you prioritise

many others. A good starting point is to draw up a list of every person within and outside the organisation who might influence your work and to whom you are accountable in any way. The next stage is to list the reports and work that you need to provide to each stakeholder, including frequency and amount. Then rank each stakeholder according to criticality and influence. This will

help you to prioritise each stakeholder; this is necessary because you only have a finite number of hours in the day and resources to address all of your stakeholders’ needs.

The final stage is to prepare and act upon a strategy for each stakeholder. What sort of person or organisation (internally or externally) are you dealing with? Will frequent, light-touch interventions be more appropriate than a few, significant interactions? To what extent can you delegate some or all of your stakeholder responsibilities? What are the warning signs that you are not meeting the requirements of each stakeholder? How can you pick these up at an early stage to ensure that they do not become serious later on?

These stakeholders are critical to career management because they are the most exposed to your current activities and successes, and therefore well-placed to recommend you or think of you for new opportunities.

Search, Social Media & Networking

There have been various reports over the years covering the search process and the different ways companies fill vacancies. They vary between industries and regions and job title, but the consensus is clear: well over half – and up to 70% - are filled by networking. Very few (especially at the senior level) are advertised or posted online, and only 15%-25% are filled through executive search firms.

Of course it helps to have someone senior at an executive search firm as part of your network (and they can be a useful source of career advice), but it's important to remember that their client is the recruiting company, not the candidate. Their interest in your CV will – usually - be restricted to the search projects they have at the time.

It's more important to ensure your visibility in the market, so that when their search begins, they will easily find you. This is where social media has transformed the market in recent years, and except for the really senior vacancies, most searches are likely to begin with LinkedIn – so make sure you have an appropriate profile on there. There are also likely to be industry-specific social media sites (such as Oilpro) where you can build your profile and network.

The ability to post comments or join in conversations on social media is another way to grow your network and demonstrate your expertise or interests, though bear in mind it can be a very cluttered space with a good deal of irrelevant content. And it's best to avoid the more acrimonious discussions (eg some of the debates on climate change) – and above all, never post anything you would not say in person.

Having 500+ contacts on LinkedIn can be an important part of active career management. But many of those contacts may be irrelevant or unable (or even unwilling) to help you: online contacts are no substitute for relationships nurtured over time and through face-to-face meetings.

6. Networks

Good stakeholder management is a strong element of building and maintaining effective networks internally and externally. In our view, growing and maintaining a healthy network both within and outside your own organisation is possibly the most important aspect of active career management.

In many large oil and gas companies, maintaining a strong, internal network of contacts across functions, geographies and the organisation is as important as growing an external network of corporate contacts. This is because much of the sales and marketing effort to external customers takes place within the organisation and if you are recruited into that effort based on your reputation, you will position yourself well. However, maintaining a strong internal network is not enough.

A healthy network is possibly the most important aspect of active career management

Executives who have been with one organisation for a long time tend to have most of their contacts within that one organisation, rather than being “linked out” to the outside world. There is a risk here that some executives become so dependent on their internal, organisational contacts that when they leave, voluntarily or involuntarily, they suddenly find that they have no networks – or that external contacts were really only interested in them in that particular role, rather than as an individual.

Here is an example. One of our clients is intending to return to the UK after a long spell abroad. He has a great CV with many senior positions in blue chip companies to talk about. However, his long spell abroad and (in particular) his excessive focus over the years on building his internal contacts will leave him in a precarious position when he moves into a new career and is no longer defined by his previous organization and its brand.

He will have to rebuild networks of external contacts that are at best dormant and at worst withered, if he is to generate opportunities for the next stage in his career. This takes time, subtlety and patience, which can be in short supply for someone quickly seeking a new executive position or mix of non-executive activities.

So what's the answer here? Simple!

1. Make it a key part of your work life to maintain and grow a strong network of contacts which are external (as well as internal) to your organization
2. Resist the temptation to be defined solely by your organization and the people within it
3. Maintain as prominent a client facing role as possible as you move in to more senior roles
4. Get out into the market more, giving you more opportunity to grow your networks
5. Reciprocate: be ready to help others, and avoid getting a reputation for excessive self-interest

Maintaining external networks requires discipline, energy and focus but will surely yield dividends in the future, when you need to be linked out, even more than linked in.

7. Career plan

This is an area of career management which is frequently poorly managed. Very few people have a coherent career plan: this should act as a compass, showing them the way forward, and also as an anchor, preventing them from drifting off into areas where they have little aptitude or passion. Many people have an initial plan for joining the oil and gas industry as graduates, but this plan is rarely properly developed, and they become absorbed instead by the organisation where they work.

I always advise people in the oil and gas industry to formulate a plan as early on as possible in their careers and then share it with their employers. In this way, they are making it easier for employers to give them what they want, because they are being quite transparent and clear in their short and medium term objectives.

A plan acts as both a compass, giving direction, and as an anchor, avoiding drift

Having a clear plan also helps you to stay in control of your career. When opportunities come along, either internally or externally, you can measure them against your career objectives before deciding whether to accept or decline the role. It is also quite legitimate to change your career plan if your circumstances change. For example, a woman (and increasingly a man) may decide to take a career break to start a family and then return at a later stage to the organisation with different objectives.

How should you set about preparing a career plan? It is best to establish your realistic long-term objectives first, and then develop appropriate intermediate steps. What you do next will depend on a combination of what you want to do, what you are best equipped to do, what other people think you can do, and what actually comes up.

While all plans are highly personal and must be tailored to suit the individual and their objectives, the planning document should include as a minimum:

1. Your personal "Vision & Values": long term goals, and what really matters to you. (Autonomy, money, people, intellectual challenge, taking risks, job security, work/life balance, social contribution etc).
2. Next move (1-3 years): The primary route forward, including functions on which to concentrate, types of role, and requirements in terms of financial package. Geographical considerations, remuneration and capital building, business styles and the types of colleagues preferred, sectors/business unit appointments that should be either included or excluded.
3. Medium-term (3-5 years): Definition of what constitutes a bigger, broader role to logically follow from the next move. This could build on a functional or geographical speciality already established, whilst preparing for a longer term move into the last, most significant role.
4. Long-term (5-15 years): depending on your perspective. This establishes a starting point for deciding on the most relevant next move, taking into account short and long term financial needs and aspirations.

8. Continuing professional development

It is especially true of the oil and gas industry that executives should keep constantly abreast of new technologies and processes, as well as some of the wider issues which affect the industry. A thorough knowledge of these issues and an ability to apply them in practical situations and in problem-solving will distinguish one executive from another. It is one of the key factors which give them a competitive advantage, either within or outside the organisation.

Look out for courses that can support your career plan and open up new opportunities

Early on in an executive's career, technical mastery of roles is particularly important; however, the more senior the role, technical expertise becomes less important (it is taken as a given) whilst leadership, people management, strategic thinking, commercial awareness and the risk agenda are

increasingly important.

You should not rely solely on an employer's continuing professional development programme. Executives should constantly be on the look-out for courses which blend different types of learning (classroom, online, self-tuition) and can support their career plan as discussed above.

This is where courses designed and delivered by Warren Business Consulting are particularly important. The objective of the 3 Day Oil & Gas MBA, for example, is to place the technical knowledge of participants in a more strategic business context. This is more relevant to the senior roles and board-level decisions that participants will encounter sooner or later in their careers. These are interactive programmes that involve input from participants as well as the course director. Attending such courses has multiple benefits for active career management:

- Skills and knowledge to improve day to day capabilities
- A board-level view of the business to help identify future career paths, to help your *career plan*
- An understanding of other functions to assist internal networking and improve your *stakeholder management*
- *Networking* with peers from other companies or elsewhere in your organisation
- Opportunities to develop and build your own *success stories*

Conclusion

Active career management in the oil and gas industry (and in any industry) sounds like hard work. It is: there is no escaping it. The rewards, however, are significant. Keeping one step ahead of the game; preparedness for all career eventualities; maintaining a strong, up to date network which clearly appreciates your value, skills and expertise and is prepared to help you deploy these to maximum advantage – these are all benefits that will serve executives well, whether the oil price is USD 10 or USD 100 per barrel.

The oil and gas industry is just as much about people as processes or technology. As more pressure is put on the industry to automate and shed jobs, so the value of actively managing a career from graduate to senior executive will increase. Optimising one's personal skills, reputation and networks will be absolutely vital in the years to come.