SUMMARY of the 2-DAY PROCEEDINGS for

“Breaking the Cycle of Discrimination: Another Perspective on Workplace Challenges in the Oil and Gas Industry”

1st-2nd of October 2014, Norwood Hall, Aberdeen

This first of its kind workshop explored workplace challenges faced by the international oil and gas industry. For two days, under “Chatham House rules”, the international group of attendants interactively discussed case studies and presentations on gender, age, nationality, cultural diversity, bullying and sexual discrimination. A summary of the workshop’s proceedings is provided but, in accord with the “Chatham House rules,” the quoted remarks are not attributed to any individual.

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Day 1 – panel session, debates and Q&A findings

The industry, at least in Aberdeen, has many middle-aged, self-employed people who work as consultants because they have few other alternatives. Some people think that it is much easier to train a young graduate than to re-/train a middle-aged industry professional because mid-career professionals are not available to them and/or would be reluctant to accept a position appropriate to a trainee skill level.

With regard to cultural diversity, some people think that oil companies are not doing enough with regard to multi-cultural awareness issues. Often, the industry is treating “the locals and their governments inappropriately”.

Some people think that there is a “cavalier attitude” towards the CV contents and that more training on CV wording should be provided in schools. Additionally, when it comes to nationality recruitment, there is “not a level playing field”. The participants were asked, “How much does a CV give away with regard to discriminatory aspects?”

Drawing a line between the reality of the industry and the actual formal requirements, the participants in the Workshop observed that it is more difficult for someone who has graduated with I degree than it is for someone with a II degree to find meaningful employment because those with I degree are considered to be “too theoretical”.

Those in dual career relationships encounter difficulties because provisions and/or alternative arrangements are almost non-existent for the trailing spouse even though some industry employers prefer married individuals for senior roles because “they display stability”.

In some regions of the world – Eastern Europe, Middle East, Former Soviet Union States – there seem to be fewer problems (perceived or de facto) with regard to women having engineering roles.

With regard to executive and senior roles, social skills may be more important than technical skills. The cultural fit/chemistry can be by far the most important selection criteria. Workplace
realities were revealed including that, in an interview for an executive role, applicants get judged by their handshake, by their looks and even by the manner in which they open and close the door.

Research presented during the Workshop indicated that 90% of the CEOs are taller than the average population; that for every inch of height the annual pay can increase with as much as $789; that overweight women can have a lower pay package than their colleagues doing the same job (<6%); that blondes tend to get a better financial package than brunettes (>7%).

The claim was made that women who wear make-up earn more than their colleagues who prefer a natural look, simply because the make-up makes them look more competent. Additionally, evidence was presented that, during their lifetime, attractive people earn more than $200,000 than others.

In line with the subject matter of the Workshop, some said that for women seeking employment, looks outweigh education. In general, chemistry and the cultural fit with the organisation as a whole but, primarily, with the team, are more important than the technical competence.

The “big crew change” in the industry had long been a subject of discussion. While the industry may be open to people coming from other industries with a specific skill sets, the same cannot be said about selection of Board members. The participants to the Workshop also found that selection of board members does not emphasize transferrable skills.

The statistical data presented by the academic sector revealed two major issues: a) there is a clear diversity gap in academic awards and b) discrimination on the basis of race is worse in academia than industry. In academia, discrimination because of sexual preference is almost as great as racial discrimination.

Attendees observed that “diversity in culture brings valuable insights into a business.” Direct exposure to multi-cultural environments is the best way to provide those working in the industry with appreciation of cultural diversity.

Industry needs to teach soft skills and inter-personal communication skills. Mentoring helps bridge the “communication gap” between the bulk of the workforce and senior management.

In the oil and gas industry, inspirational speakers could make a difference with regard to breaking the cycle of discrimination. Speakers should argue for “equal opportunities instead of gender quotas” and governments should be lobbied to support the industry becoming a more inclusive and diverse place. Due to current legislation requirements, “discrimination is covert” but widespread.

Only by speaking-up can patterns of bullying can be broken. Participants heard that bullies are generally not the new-comers in an organisation but, usually, these are staff members with long service who, because they have been there for a long time, are more credible and are rarely held accountable.

Day 2 – panel session, debates and Q&A findings

A male attendee observed that there is discrimination in the oil and gas industry’s culture with regard to employment of older women. He also spoke of cultural bias with regard to parenting. If a mother chooses to work 4 days a week while her children are very young, she will be described
by the society and peers as a “bad mother”. In contrast, if a father chooses to work 4 days a week and spend the same time at home and at work as the mother, he is considered to be a “good father”.

Another male attendee said that for married couples it is very difficult for both of the partners to have demanding and progressive careers. Greater flexibility is needed with regard to accepting working at home because, in the life of a senior manager, something “has to give”. With rigid expectations, often people must choose between career and family life, with no ground left for a suitable compromise.

Slow attempts are being made by some organisations in the industry worldwide to address the couple mobility issue but little is currently being done to address gay couples’ mobility issues.

For the presentation at this workshop, some operating and service companies were asked to provide data on the percentage of women and “under-represented minorities” at different levels of compensation within their organisation. The companies were asked to provide their own definition of “under-represented minority” because who is in the minority varies around the world. More companies were willing or able to share information on women than on under-represented minorities.

Specifically, the companies were asked to provide the percentage of women and the percentage of under-represented minorities (as defined by that organisation) at entry level and for those in the top 50% by compensation, top 25%, top 10%, top 5% and top 2% as well as on their Board of Directors. Attendees agreed that this type of transparency with annual release of data could motivate employers to address barriers to the advancement of women and under-represented minorities. They also agreed that such data would be valuable to people making career decisions and choosing employers. However, attendees said that companies, especially the largest ones, were reluctant to release such data because of fears as to how it would be used following its release.

Other studies were cited showing that lack of opportunity is a key factor in workforce attrition. If women are blocked from advancement and/or have insufficient opportunities, they are more likely to feel that their work-life balance is unsatisfactory and be tempted to leave the workforce. The proposed compensation metrics would be a powerful way of showing that opportunities exist for women and under-represented minorities.

Due to the legal aspects involved, the large operators and service companies are afraid of making the statistical data on women and “under-represented minorities” available to the public. Participants agreed that there is a lot of bias, prejudice and peer pressure in the oil and gas industry. Although SPE is not a standard setting organisation, it does establish best practices. If SPE were to establish annual release of specific compensation data for women and under-represented minorities as an industry best practice, that could motivate companies to make their data public. If this workshop provides an impetus for SPE to establish best practices for reporting and monitoring discrimination in the workplace, that could be a major advance and make the oil and gas industry much more attractive.

Public companies are currently required to annually release a lot of sensitive financial data that allows the public to assess the attractiveness of that company as an investment and as an employer. Annual release of data on women and under-represented minorities would be a big breakthrough and would provide critical information on the leaky talent pipeline including at what level or levels attrition of women and under-represented minorities is anomalously high.
Attendees noted that technical promotion in the industry does not occur very frequently. Promotions are generally related to managerial positions and “soft skills,” not to the technical skills and abilities.

An industry recruiter said, “Discrimination appears from the moment we discuss the role”. Very clear examples were given with regard to the unconscious (or not) bias of the CEO’s of some organisations: “I presume we could employ a woman, too” “….how will she manage the headscarf offshore?”

**Action items from the Workshop’s 2-day debates and discussions:**

1. SPE should make recommendations and lobby the industry’s operators and service companies across the world to compete on employee metrics.
2. Women should be allowed to share the same sleeping offshore accommodation with men, working in back-to-back shifts. Lack of separate sleeping arrangements often acts as a barrier to women’s presence offshore.
3. The “year” experience requirements should be reconsidered by the industry because offshore rotations involve far more working hours in a year than office-based roles.
4. The content and learnings of the workshop should be offered as an SPE CEU training course.
5. SPE should take a stronger role in formulating and enforcing guidelines for international events and exhibitions to eliminate scantily-clad female exhibitors and images of scantily-clad women from all SPE sponsored events.
6. SPE should act as a platform for collaboration and alignment for the industry worldwide on matters related to discrimination.

**Areas, as identified by the Workshop participants, that need immediate industry attention:**

1. Prejudice and misconception in the workplace
2. Mid-career management issues
3. Technical competence versus social bias
4. Multi-cultural awareness

The participants were asked to make recommendations with regard to addressing the 4 issues above. The participants have proposed the following solutions:

1. **Prejudice and misconception in the workplace:**
   a) Careful selection of managers and provision of training and guidance
   b) Ad campaigns to challenge people’s assumptions on gender, age, nationality and race
   c) Mentoring schemes or speakers that can challenge the stereotypes in the industry
   d) Unconscious bias training
   e) Listening to people and putting ourselves in their place while seeking constant clarification of our own assumptions
   f) Education – show that these exist, show why they are bad, show what’s in it for everybody and for the company, too, to address these
   g) Leading men in the industry should publicly and visibly get on board with “#heforshe” campaign to support the gender imbalance debate
2. Mid-career management issues:
   a) Force a mid-career change
   b) Providing the correct tools to mid-management immediately when moving into the role
   c) Explore mid-career progression – the frustration accumulated by singles, not just families and dual career couples.
   d) Foreign assignments benefits for those having no spouses but friends or parents back home – support for them to visit, in lieu of flight allowance
   e) Support and encourage/expect men to also take full paternity leave and make this a “normal” career break for all. Support/buddying system should be provided by the company throughout the leave period.
   f) A technical/academic paper on flexible working solutions
   g) Activities/organisational changes to encourage an increased female presence and diversity in middle management
   h) Support for women with children
   i) Increased mentoring of young managers from diverse backgrounds
   j) Driven by and exemplified by leadership; support from HR
   k) Option to request time-off/flexible/part-time working; training the middle management to genuinely support these requests.
   l) Address the child-rearing years – flexible working, child-minding support; career “holding ground” post and maternity leave
   m) Survey the challenges encountered by dual career couples and explore solutions by inviting “magic wand” answers from the dual career population
   n) Opportunities versus knowledge and interests
   o) Research undertaken to explore mid-career retention, strategy and its success; money attributed
   p) Provide extended maternity and paternity leave
   q) Provide childcare facilities in the workplace
   r) Research and measure the dual-career make-up of the industry population; perform analysis of the biggest challenges it presents
   s) Mapping the sector, company numbers and when losing people – what will the trends tell us?
3. **Technical competence versus social bias issues:**
   a) Training on differentiating the assessment of technical competence from social bias, including CV assessment
   b) Publish case studies on how a combination of correct technical competence and diversity (of thought) create better business than competence alone
   c) Ensure that technical abilities take priority over the social bias by having detailed job specifications to ensure fair process
   d) Use more recruitment agencies / search companies to eliminate the selection made by “one of the boys”.
   e) Research into the backgrounds and diversity of staff by attempting to identify who is successful, where they come from, their motivators and who does well in the company
   f) HR should challenge the managers during the interviews to provide feedback on why candidates were either selected or rejected, so that they can reflect on their decision
   g) Hire an attitude, not just a competence alone
   h) Work must be done to dispel the myth that females are being brought on to make up the numbers; share the success stories
   i) Sometimes the social bias can be used positively if someone with specific cultural or social skills is needed
   j) It is not just the technical competence that the industry needs to look at – attitudes and behaviours (soft skills) need equal attention
   k) Hold a public, open competition
   l) Strongly discourage remarks about “you’re only here because you are a ... and they need to meet the quota”. Make it clear at all levels of the organisation that this is not acceptable
   m) Freedom to voice concerns without being penalised in any form
   n) Ensure that opportunities are always offered to the best candidate
   o) Measure and define key skills and performance aspects
   p) Encourage further technology development by getting the industry to be more of a centre of excellence and role model for other industries; thus the social bias will be shelved in pursuit of the bigger goal – technical open-mindedness will be needed
   q) Have a Best Practices document/list for hiring personnel – then check if everyone has challenged his/her assumptions

4. **Multi-cultural awareness issues:**
   a) Government-sponsored free cultural events
   b) Training/workshops to enhance and improve the multi-cultural awareness and communication
   c) Have focus/education during on-board training
   d) Inclusion training
   e) Training/awareness programme on what different cultures believe to be acceptable; their communication styles and local customs
   f) Foster a strong knowledge of world history and culture
g) Educate on cultural norms so that others can appreciate diversity
h) Invest in face-to-face meetings and take time to learn about other cultures
i) Regular employee training
j) Organise mixed cultural groups discussions and tasks to upskill on cultural diversity and language used – e.g. “lazy wife” section, “working mum” section
k) Provide opportunities for international assignments and assignees where possible
l) Wider networks to allow employees to work with overseas employees
m) Mentor/mentees from different cultures/geographies
n) Training on manners/faux-pas when liaising with other countries should be available when visiting other countries and even before that if working with people from other cultures