

## OIL & GAS

# Can O&G Independents Make “Remote” Work?



By Barry Samria

May 25, 2021

Remote work is not a novel concept for O&G multinationals with significant and complex operations across the globe. I can remember working with a JV in Kazakhstan in 1998, where procurement and sourcing were done primarily by teams based in London and Milan. The same was true when working in parts of Russia and Africa; members of the support function teams, including engineering and capital projects, were based in various parts of the U.S or Europe, or some cases both!

The “remote work” concept worked because organizational hierarchies, systems, and processes were designed to enable operations to function effectively and efficiently given the constraints presented.

During the rapid growth years in Shale production, the challenge of trying to recruit sufficient “local” talent forced some operators to pilot remote work initiatives. Many of these initiatives were deemed a failure. Fast forward to 2020 and the devastating impact of the Covid-19 pandemic, including the ability to continue to work within traditional organizational constructs and environments, ensured organizations had little choice other than to adapt rapidly to the practical application of remote work given limited other options. As the year progressed and the outlook for a total return to “normal” seemed to get pushed further and further back, organizations began to think about the immediate and longer-term effects and impacts of the COVID-19 pandemic on future operating frameworks.

Add in the depressed oil prices throughout the year and increasing financial pressures, remote work was no longer an option or just the domain of larger operators with offshore operations, but a harsh potential reality of a future outlook for many operators. Without the ability to adapt successfully and rapidly, there will be no future for some. Paradigms shifted quickly, and organizations adapted to remote work more successfully than many thought possible. Not only did we see rapid adoption, but across many organizations, personal and team productivity improved, in some cases, quite considerably.

There are many reasons, some self-explanatory, for this uptick in individual and team productivity. The more common reasons being that:

- There was no longer the daily grind of a commute to and from work. People generally sat down at their home-work stations when they typically left home to start their commute and away from the workstation at a time when they usually arrived home, hence continuing to maintain their previous work/life routines. People were spending more “actual” hours at work than previously.
- Not only were people spending more hours doing their work, but they were also no longer spending a considerable portion of their workday in meetings. No interruptions from colleagues just “popping their head around” the door or time spent “catching up” at the “cooler” station.

Given the above, it is not surprising that productivity increased significantly. **The question asked now is:**

***Can these significant productivity improvements be maintained? Or will people start to burn out?***

Add to the mix the wild card where many senior leaders in larger organizations are more than just a little fed up with having their employees working remotely. Many cannot wait to get cleared to call in all their staff back into the offices. **This in itself may present numerous challenges:**

***Will employees be willing to give up remote work entirely? Will morale suffer if given no other option than to return to the office?***

There are so many questions and scenarios that could potentially play out, with many outcomes leaving unwavering companies disadvantaged in their bid to both to retain current employees and recruit new employees.

We believe that optionality is the only way forward. People will need to have the option of flexible working arrangements. But organizations will have to create the right working environment to work with their staff to ensure that solutions developed make for win-win outcomes. Assuming that organizations are willing to flex and adapt, the challenge remains to ensure that while maintaining working productivity improvements, they also look to help employees’ with health and Wellness, choosing to balance office and remote work.

Addressing this challenge requires robust solutions. Developing those solutions is only possible by first understanding the many potential adverse effects of long-term remote work.

**A simple 5-minute exercise of listing all potential downsides of remote work shows how easy it is to get overwhelmed. The following is by no means an exhaustive list. Still, it enables a better understanding of why considerable thought and effort need to go into making “remote” work in the longer term.**

### **Develop and maintain excellent communication networks**

Perhaps the most common piece of feedback is that people feel more isolated because of inadequate communications, primarily from their supervisors. The number of meetings people attended has shrunk significantly, providing both positive and negative benefits. Positive because people felt that they did not “waste” as much time attending meetings that were of little value to them, and harmful because the information from senior leadership was no longer “filtering down” as effectively or as frequently. People felt removed from the “big picture” and struggled to see the value of their contributions. Other essential items highlighted included a breakdown in crucial frameworks like knowledge sharing, collaboration, brainstorming, spontaneity, and overall teamwork in general.

## Leadership

Managing remote teams requires a very different type of leadership skills and behaviors, something that organizations had not focused on in any meaningful way before the forced drive to remote work. The consequences of this are still felt today, people citing drops in levels of perceived engagement to their teams and organization overall. Although rarely sharing critical feedback with supervisors, motivation levels are not where they once were, and the feeling of a lack of engagement adds to the isolation. Mentoring and coaching levels have dropped significantly, creating uncertainty. For all these reasons, people question the value of their contributions and self-worth, further fueled by the perceived lack of recognition and rewarding efforts and outputs.

## Health & Wellness

As we mentioned earlier, people are generally working longer hours and harder but not necessarily smarter. Remote workers are now more sedentary, with most spending less time, if any, on physical activity and exercise, mainly because gyms were closed for an extended time, and many people have let their memberships lapse. These issues combined will have lasting effects and consequences on the overall health and Wellness of remote employees.

The long-term benefits of remote work are significant for independent O&G operators. It will help them realize cost efficiencies, operational improvements, employee retention, and be competitive in attracting the best talent. Updating and enabling operational frameworks to optimize remote work will support employees to continue to take advantage of working remotely, potentially leveling the playing field with more prominent operators for companies that get it right. That also means tackling old organizational hierarchies and structures, roles and responsibilities, job and role profiles, leadership skills, work processes, management operating systems, technology, and digitalization. It all seems rather daunting until you realize that many organizations have already made significant strides to deliver this vision of the future, and those that have not, can quickly catch up.



**ARE YOU READY TO TURN YOUR POTENTIAL INTO REALITY?**

Feel free to call Barry Samria at +1-561-236-5745, or visit [auderepartners.com](http://auderepartners.com) to get started.