

Cultural Change Champion - Why? What? When?

Context

The requirement for cultural change across the UKCS was identified in the Wood Review – where the concepts of Collaboration, Maximising Economic Recovery and a more active and informed Regulator were developed. Within the industry many business change journeys are underway - as the industry transforms to improve cost efficiency, productivity and margins, there is a common understanding of the desired end state and the measures required for these tangible outcomes. When it comes to the less tangible - perhaps more challenging - issues of how activity is approached and how companies cooperate, collaborate and compete, there is less clarity and less common ground. This does not suggest that these behaviours are absent from the industry. However, as presented at the Collaboration Conference in April 2017, the OGA’s view, and that of many industry participants, is that there is a mixed and overall slow change in collaborative behaviours across the sector. Given our progress as an industry during the past few years and the improving outlook, it is imperative that this changes (in terms of scope and speed of progress), requiring strong leadership across the industry.

Current OGA perspective



The idea that our industry can collaborate more strongly is of course not new and it is timely that we demonstrate our intent and ability to deliver greater value through collaboration. In the context of Vision 2035, this will be an important facilitator to unlock some of the £290 billion additional revenue.

As a matter of principle, the responsibility to identify and embed collaborative ways of working to help further MER-UK lies with the industry (operators and supply chain alike), without the need for OGA intervention. MER-UK outcomes and company commercial objectives are not mutually exclusive and the role of senior members of the industry, especially MDs and CEOs, is critical in bringing about this change in mindset and behaviours.

The role of the Cultural Change Champion (CCC)

The role of the Cultural Change Champion – alongside the existing Taskforce leaders – is to **help catalyse behavioural change**: to **embed, sustain and accelerate collaborative behaviours in the industry** through the integration, prioritisation and sponsorship of change activities and through membership of the Oil & Gas UK Board and the MER Steering Group.

With the goal of building and strengthening a truly collaborative culture in the context of MER UK, there is a risk that the scope of the role becomes too broad and unmanageable. Therefore, early and extensive ‘framing’ will seek to define the scope of work with the greatest (early) impact. The adages of ‘learning-by-doing’ and ‘success breeds success’ are relevant to gain traction in the desired change. It is anticipated that the scope of the role could encompass interactions across operators, the supply chain and JVs. The work will likely include key existing areas of focus such as, but not limited to Area Plans, Technology and Operator-Supply Chain partnerships. By definition therefore it is unlikely to be limited to those areas traditionally classified as purely “Commercial”. The change work will be focused on the networks and interfaces that enhance collaboration and certainly not to duplicate existing efforts in the other Taskforces/Fora.

Alignment with the OGA and the OGUK board on this role and these terms of reference is essential to the success of the role. The CCC will ensure communications are maintained with the six other Taskforces and that the OGA and OGUK board are kept apprised of progress and results from the work. Their ongoing leadership and support will be vital.

The initial 12 months activities are envisaged to consist of three main workstreams:

1. Description of Current Reality and Identification of the “goal”

Interviews across Operators, Contractors, advisors and other highly collaborative industries to develop a view of ‘current reality’ and a common goal of how it looks and feels to be working (at various levels through companies) in a collaborative industry. This effort will be used to determine key measurable characteristics and structural differences that may exist between the industries/sectors, and thus help to describe what ‘good’ looks like. An important aspect of this effort is to understand to what extent the work should be focussed on the multiple facets of Cultural Change, including “collaboration”, “workforce engagement”, “technology deployment” and the diverse interactions between Operators, JVs, Supply Chain and Regulator.

2. Collate, Integrate, Rationalise & Prioritise Activities

Identify through interviews (above) and other industry fora (e.g. Commercial Managers’ Forum; Efficiency Task Force) activity that is already underway to further the collaborative culture of companies and the industry. Understand how these contribute to the overall “goal” and assess if/how to enhance or supplement. Form a network between these activities to ensure a consistency in vision and work to rationalise activities which may be duplicative. If a critical gap is identified establish a “Task-finish group” to close out the gap.

3. Support and Champion the Commercial Manager’s Forum

The CMF, established in Q4 2016, is one of the routes to drive improved Company Commercial Behaviours. Work to ensure industry support for this forum and its activity and act as Sponsor for the engagement with, and steer from, the MER Steering Group and Oil and Gas UK.

Approximate Timeline for CCC activities:			
Q3 2017	Q4 2017	Q1 2018	Q2 2018
Interviews			Interviews
Identify the “Goal” & current state		Measure Progress	Review and Improve
Identify current activity & Gaps	Rationalise and network current activities		Review and Improve
	Task Finish Groups for Gaps		Review and Improve
CMF Support	MER & CCOP Training kick off	CMF 2018 plan	Review and Improve
Standard agreement			