

Building a common culture for employees is a long process requiring open communication

By John C McK. Skeggs, Odfjell Drilling

IN 2003, ODFJELL Drilling won a drilling contract in the North Sea and inherited, overnight, 241 people from the incumbent drilling contractor, creating numerous challenges. A privately owned drilling and well services supplier, Odfjell Drilling was founded in 1973, is headquartered in Bergen, Norway, and has about 2,050 employees.

The company's core business areas are providing drilling crews for 19 fixed installations in the North Sea; operating 3 mobile offshore drilling units in the North Sea; providing casing running and tool rentals; and providing engineering solutions and rental of personnel.

In 2002 a strategic plan was laid to aggressively expand the company over a 5-year period. Prior to this, the company had operated mainly in Norway and on the Norwegian Continental Shelf. A small team was sent to Aberdeen to start an office in 2002. In 2003 the company won a contract with Talisman to provide drilling crews for 6 fixed installations, only 2 of which would be drilling at any one time. Due to UK legislation, Odfjell Drilling was required to offer positions to employees of the incumbent drilling contractor. So on 1 November 2003, we inherited 241 people.

THE CHALLENGES WE FACED

Changing people's overalls with the Odfjell Drilling logo was perhaps the first immediately noticeable change. But more significant challenges were present than just doing that. The new employees were still working to the procedures developed by their earlier employer, and they had a different culture. Most of the employees were British but influenced by an American-owned company with what could be described as a more hierarchical organisational culture. Odfjell Drilling, on the other hand, has what might be described as a more Scandinavian-style culture with a flatter organisation and an "open door" policy. In addition, in Norway, many drilling contractors have a close relationship with the major unions, whereas in the UK this is not the case.

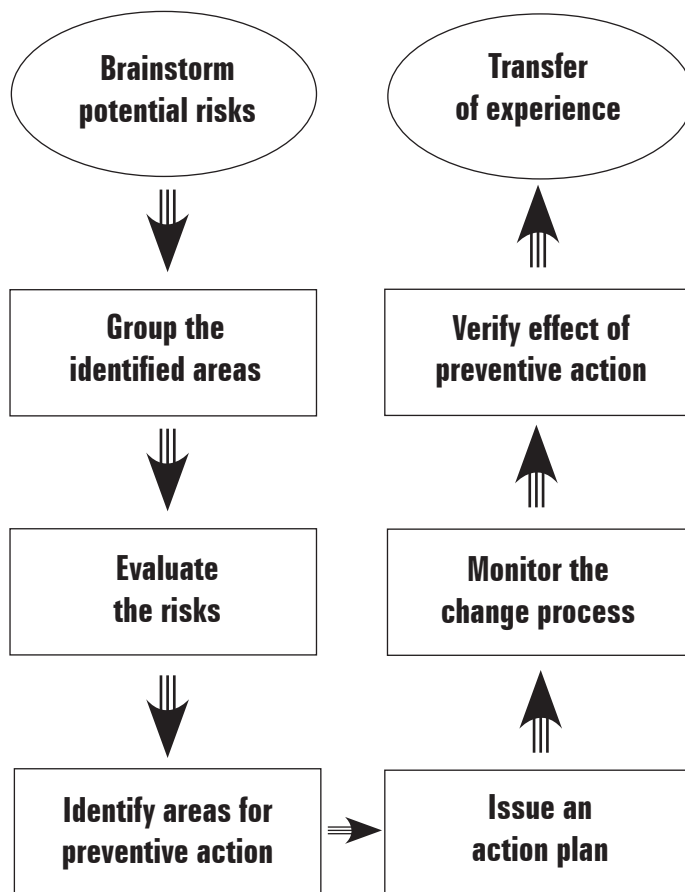
To say the cultures are different is not saying that one is better than the other. There are many ways to Rome, and the approach Odfjell Drilling has is just how we do our business. So the challenge we faced was that if we did nothing, we would end up with a company growing in different directions.

WHAT DID WE DO?

First, we applied our management of change process to the challenges. We sat down with management from Talisman and the incumbent drilling contractor and brainstormed the risks. This process is shown in the flow diagram above. Of the areas we identified that needed mitigation, we will focus on communications and leadership styles in this article.

Communications: The new employees had a tremendous need for information about their new company, and this was not just confined to knowing about their terms and conditions of employment. To facilitate this, we:

Management of change process



When Norway-based Odfjell Drilling inherited 241 employees overnight from another drilling contractor, it found significant challenges in bringing the new workers into Odfjell's culture. The company brainstormed the risks involved and identified the management of change process shown above.

- Immediately started holding pre-departure meetings at the heliport where the rig manager informed employees of what had happened since their last trip offshore and what was planned for their 2 weeks ahead. This provided an opportunity for questions to be asked. These meetings continue to be held today.
- Initially we produced a weekly newsletter. This is now a quarterly newsletter.
- We tried to give timely feedback on issues raised.
- We initiated a 1-day workshop to inform employees about Odfjell Drilling values.
- We appointed a Performance Improvement Leader whose job was to follow up on the processes we had put in place. He visited the platforms regularly for one-to-one conversations to

see where we could improve and get feedback from our new employees.

Leadership Styles: Management in Odfjell Drilling entails focus on delegation, communication, cooperation, the power of example, and personal responsibility

To provide a gap analysis between leadership styles, we sent out a questionnaire to employees asking how they saw the management styles offshore. We held a seminar with the leaders offshore and presented them with the findings. There was a clear gap between the way Odfjell Drilling expected leaders to behave and those revealed by the questionnaire. In order to get leaders onboard with the way we expect them to behave, we ran a series of 1-day workshops called "Values in Practice."

We held eight 1-day workshops that were attended by 142 people in all. Two consultants from **Inchferry Consulting** facilitated the course. These courses continue to be held to capture new employees and those who missed the original ones.

The course contained only 1 presentation, and the rest of the day was taken up with interactive sessions to encourage communication and team-building. The theme for the day was the "Titanic." Teams worked on various issues, including identifying "icebergs" that would present an unacceptable risk to the business. These "icebergs" included morale, lack of prior planning, unequal work conditions, too much paperwork, experienced people leaving, poor communications, and inexperienced new personnel. The day ended with each person writing down 3-4 personal commitments to improve communication and personal skills to promote greater safety and efficiency in the work place.

At least 1 member of senior management was present at every workshop, and at the end of the day we concluded with a dinner where participants could talk informally. This was well received and showed that Odfjell Drilling's "open door" policy was a reality.

HOW DID WE MEASURE THE RESULTS?

A questionnaire was developed to ask employees about their perception of the changes in communication and leadership

styles. These questionnaires were sent out while the VIP courses were being held. The same questionnaire was sent out 3 times, with a 3-month interval between them. Over a 6-month period, the feedback we got showed a distinct improvement in the perception of leadership styles and communications that the offshore workforce had.

The Performance Improvement Leader also visited offshore and held 1-to-1 conversations with employees to be able to communicate back to management on land how people were feeling about issues.

During the period we saw a distinct improvement in sick leave figures, which, although difficult to be too definitive about, could be seen as being a result of a happier, more satisfied workforce.

WHAT WOULD WE DO DIFFERENTLY?

The initial management of change process involved mainly managers on all sides, and it would have provided more "ownership" and facilitated communications if we had had more employee representatives present at this early stage.

We waited nearly a year before starting the "Values in Practice" workshops. These should have started much earlier to facilitate team-building and training in Odfjell Drilling's values.

Probably the greatest challenge we had was trying to get some of our supervisors to realise that their management styles needed to change in order to promote an "open door" policy and reflect a less hierarchical organisation, thus promoting better communication.

Building a common culture is not done overnight. It is a long, continuing process that needs to be worked on at all times. The earlier one starts, the better. And remember to involve personnel at all levels.

John C McK. Skeggs is QHSE manager for Odfjell Drilling.

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