

# Leadership Development Challenges

## For HR Professionals

Adisorn Smathimanant  
Executive Vice President, Human Resources



# PTT's Road to Sustainability



## SUSTAINABLE GROWTH FOR ALL



1978

Solved the second world crisis of petroleum shortages.  
/ Began importing petroleum from abroad.



1980

Changed our gasoline service stations' name from 'Sam Tahan' (The Three Soldiers) to 'PTT'



1984

6 LPG terminals and bottling plants were established nationwide. / Began distributing LPG to the terminals throughout the country.



1985

PTT Exploration and Production Co., Ltd. was established.



1985

King Rama IX presided over the opening ceremony of a gas separation plant and HRH Princess Maha Chakri Sirindhorn Herb Garden in Rayong.



1991

Pioneered the sale of "PTT Hi Octane Unleaded".



1994

Started a one-million-rai reforestation project in honor of Their Majesties the King and Queen.



1997

Due to the Tom Yum Kung financial crisis, PTT was corporatized into a Public Company Limited to raise fund from the stock market.



2001

PTT Public Company Limited was listed in the Stock Exchanges of Thailand.



2002

Café Amazon was first established.





**2003**

One stop service station "PTT Life Station" was launched.



**2004**

Established a Forest Ecosystem Learning Center "Sirinart Rajini"



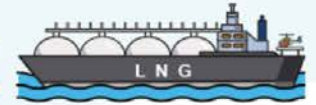
**2007**

The first solar-powered gasoline station was established at Bang Phli District, Samut Prakan Province.



**2011**

Café Amazon launched bio-degradable plastic coffee cup "Amazon Bio Cup".



**2011**

Started importing LNG.



**2014**

Kamnoetvidya Science Academy and Vidyasirimedhi Institute of Science and Technology were established.



**2016**

Started PTT EV Stations



**2018**

The Oil and Retail Business was operated through PTTOR



**2019**

### Credit Rating

**MOODY'S**

Baa1

**S&P Global Ratings**

BBB+

**FitchRatings**

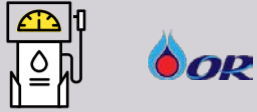
BBB+

# PTT Group Business and Activities



Source: PTT Public Company Limited, Annual Report 2018

## OIL BUSINESS



Through PTTOR, Oil and Retail Business engaged in the distribution of petroleum products of **20,766\*** million liters and non-oil goods to efficiently meet customers' demand while growing along with society

\*excluding LPG, petrochemical, and lubricant.

## GAS BUSINESS



Engage in natural gas supply procurement and gas-related value-added business. imported LNG

**11.5** MMCF/D

## TRADING BUSINESS



Procurement of crude oil and condensate from domestic sources.

**10,057** million liters  
From domestic sources  
95% of the national output  
Total

**80,481** million liters  
Across all regions.

## EXPLORATION AND PRODUCTION BUSINESS



Conducted through PTT Exploration and Production Plc. (PTTEP) implemented 40 projects in **11** countries.

## PETROCHEMICAL & REFINING BUSINESS



Refined crude oil into petrochemicals for distribution and provided port and tank facilities through 4 companies (GC, TOP, IRPC, PTT TANK)

**7.7** million tons per year of petrochemical sales.

## POWER & UTILITY BUSINESS



Conducting electricity business and public assistance through GPSC. Producing electricity and public assistance to industrial clients as an Independent Power Producer (IPP), with power generating capacity of

**1,955** megawatts according to the shareholding ratio, and steam production of **1,585** ton per hours.

## COAL BUSINESS



Operated in Indonesia through SAR  
Sold a total of

**8.2** Million tons of coal.

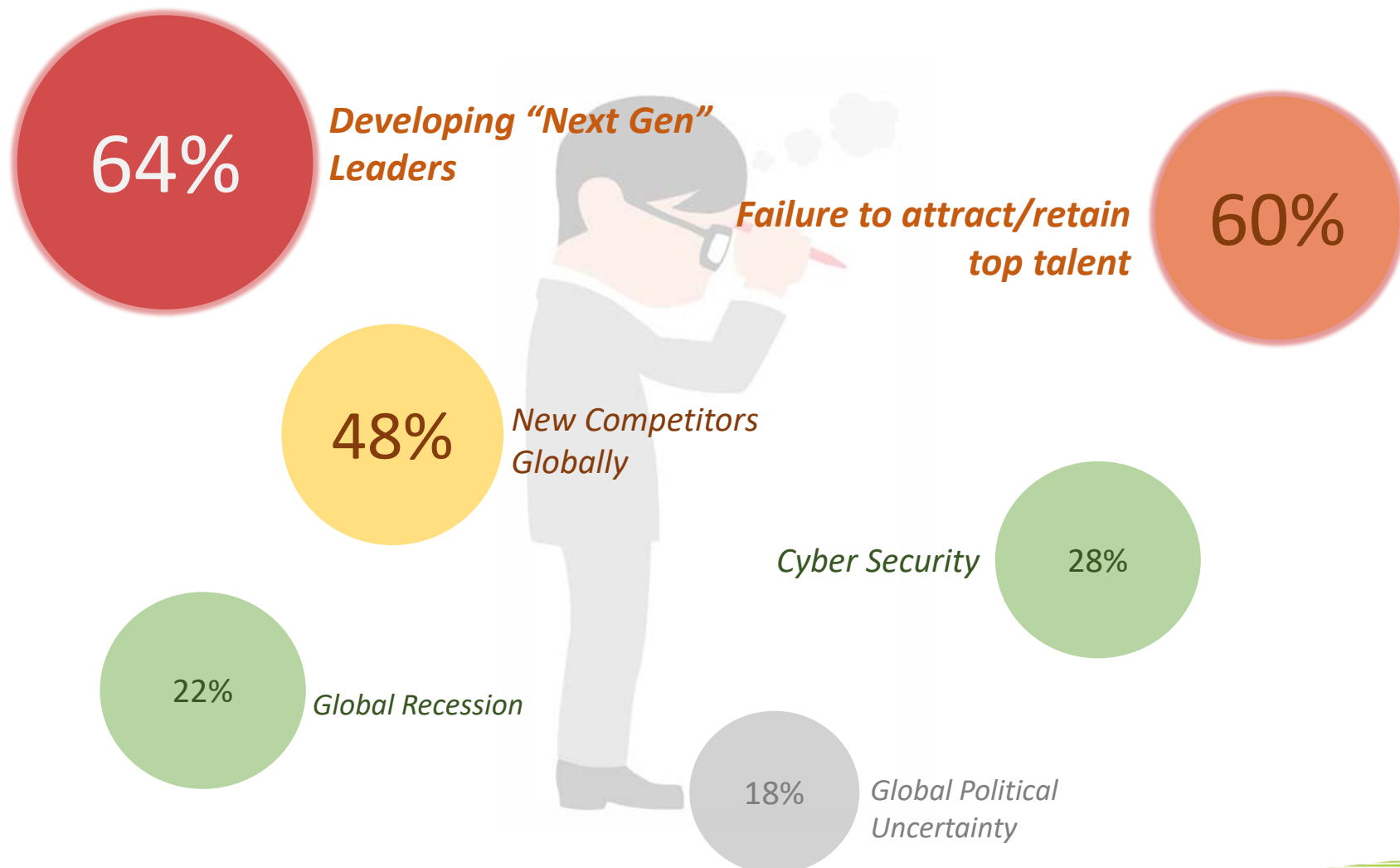
## TECHNOLOGY & ENGINEERING BUSINESS



Technology and Engineering Business was founded on January 1, this year as a result of organization restructuring.

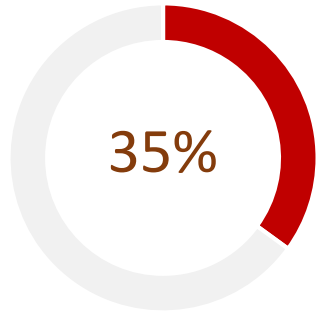
# Leadership Challenges

Survey from >1,000 C-Level Executives revealed the following challenges...

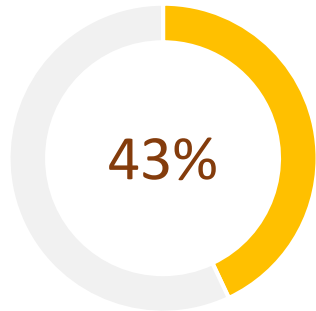


# Leadership Challenges

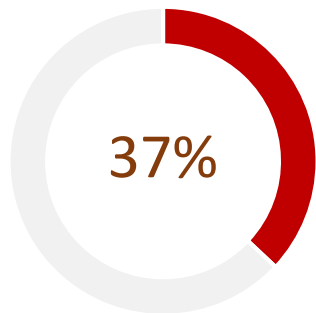
Survey from **>2,500 HR Professionals** revealed the following challenges...



Organization Bench Strength Readiness – ability to fill critical leadership positions over the next three years



Positions that could be filled by an internal candidate immediately



Believe their succession management systems and processes to be of low or very low effectiveness

## Design

### 5 Essentials Steps for Leadership Development



#### 1. Create a Leadership Competency - Framework

*Skills needed to succeed in leadership role – customized and up-to-date*

#### 2. Identify Training Needs

*Individual development plan according to leadership framework*

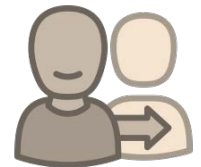


#### 3. Identify High Potentials

*High Potentials staff need to be identified early to retain and develop into leadership roles*

#### 4. Create an Internal Succession Pipeline

*Fully-trained High-Potentials staff ready to take up leadership roles*



#### 5. Measure Leadership Development Process Performance

*To ensure that training needs are accurately identified and to improve ROI*

# Leadership Competency - Framework

| Key Digital-Era Leadership Capabilities  |  | Readiness |
|--|--|-----------|
| <b>Drive</b> digital by leveraging technology to modernize business strategy and operations                                  | Digital Literacy                                   | W         |
|  | <b>Leading with Digitization</b> ★                 | W         |
| <b>Navigate</b> a complex digital landscape by embracing disruption with clarity of purpose and resilience                   | <b>Adaptability</b> ★                              | S         |
|  | Determination                                      | S         |
|  | Driving Execution ★                                | S         |
|  | Alignment  | S         |
| <b>Connect</b> people and possibilities in an increasingly dispersed and ecosystem-driven working world                      | Connectivity                                       | S         |
|  | <b>Hyper-Collaboration</b> ★                       | S         |
|  | Inspiration  | S         |
|  | Integration  | S         |
|  | Leading Virtual Team                               | W         |
| <b>Relate</b> to others on a very human level by balancing people and technology, and lead with true empathy and inclusivity | Cultural Curiosity                                 | W         |
|  | Empathy  | S         |
|  | <b>Identifying and Developing Future Talents</b> ★ | S         |
| <b>Think</b> differently, focusing on holistic situational understanding and seeking creative and innovative possibilities   | <b>360 Thinking</b> ★                              | W         |
|  | Intellectual Curiosity                             | W         |

S – Strong  
W – Weak  
★ - Critical to Digital Progress

**Leading with Digitization** – Ability to sense what is and isn't possible and sense what will be possible. Look to standardize and automate processes to generate new insights they can leverage.

**Adaptability** – Ability to adapt to constant change or fall behind.

**Driving Execution** – Ability to turn new ideas into reality.

**Hyper-Collaboration** – Ability to get people to work together to solve customers' and the organization's issues.

**Identify and Develop New Talent** – Ability to spot and rapidly bring on board the digital savvy talent of tomorrow.

**360 Thinking** – Ability to spot patterns and bring thinking together from multiple perspectives.

\*Source: Development Dimensions International Inc. The Conference Board Inc., EYGM Limited, 2018.



## Design

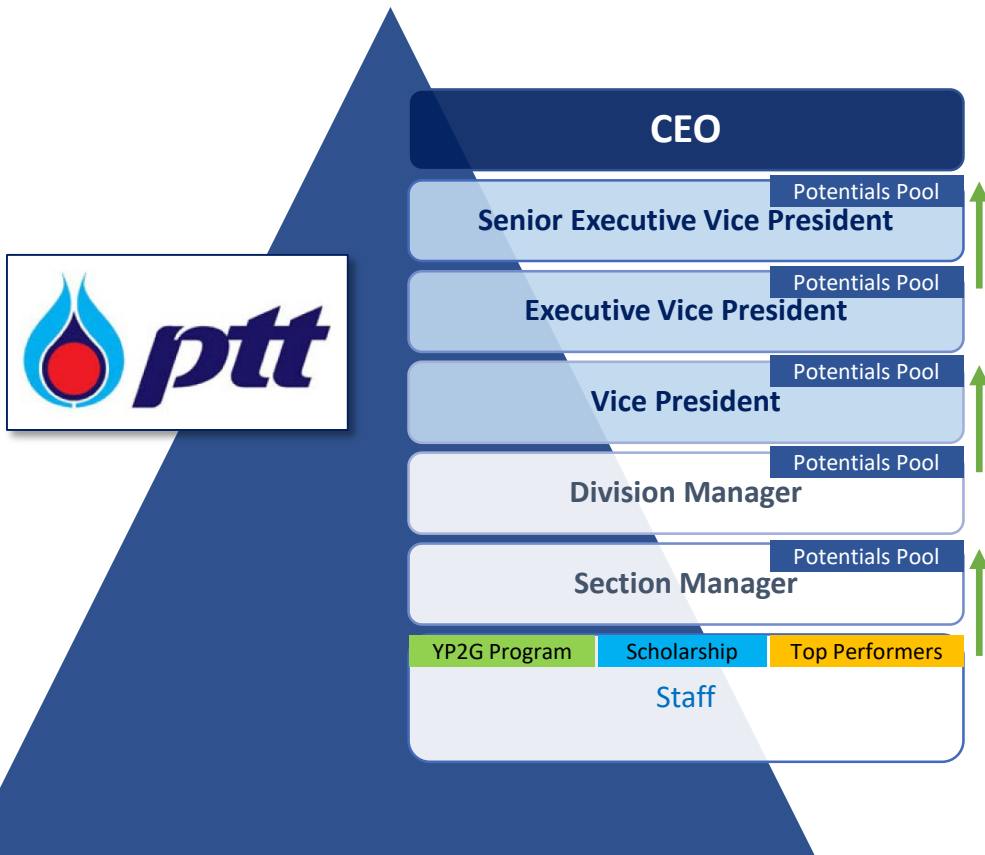
*Mismatched between Leadership Development Learning and What Hi-Po Leaders Desired*



# Successful Leadership Development Program



## Design - *PTT Implementation*



### *PTT Executive Succession Program*

PTT analyze organization's needs for the next 5 years with an aim to prepare high potential staff before they take on the key positions

The program has achieved the succession rate of **100%**, exceeding the set goal of 95%

*(Source: 2018 Corporate Sustainability Report)*



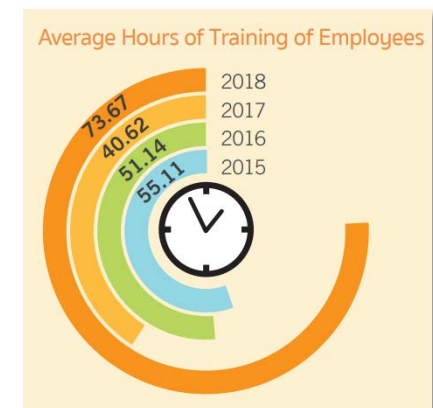
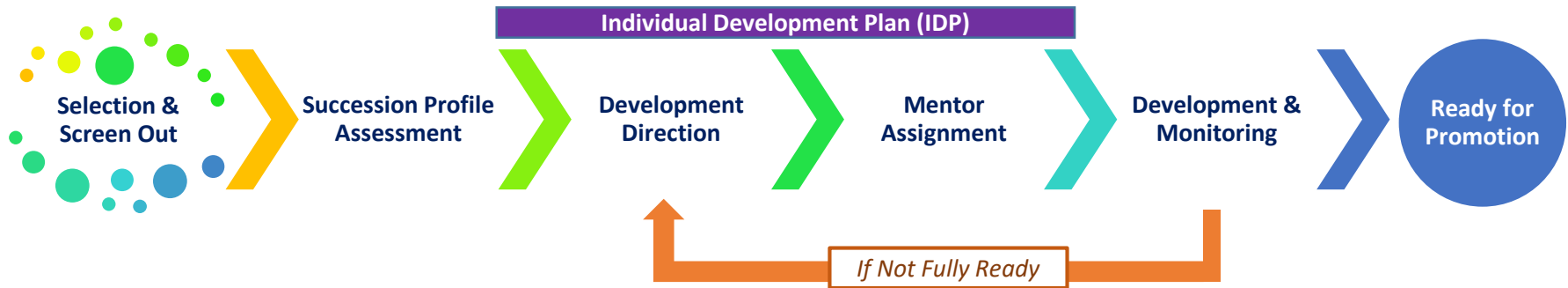
# Successful Leadership Development Program



## Design - *PTT Implementation*





### PTT Executive Succession *Development Program*



# PTT Core Competencies for Management



| Domain                       | Competencies   |
|------------------------------|--|
| Business / Management Skills | Building Organization Talent  |
|                              | Establishing Strategic Direction   |
|                              | Financial Acumen   |
|                              | Global Acumen  |
|                              | Business Savvy   |
|                              | Digital Acumen                |
|                              | Operational Decision Making  |
|                              | Customer Focus   |
|                              | Entrepreneurship   |
|                              | Driving Execution             |
| Leadership Skills            | Aligning Performance for Success   |
|                              | Empowerment & Delegation   |
|                              | Coaching and Developing Others   |
|                              | Leading Change                |
|                              | Selling the Vision   |
| Interpersonal Skills         | Navigating Politics  |
|                              | Strategic Influence  |
| Personal Attributes          | Executive Deposition   |
|                              | Passion for Results  |
|                              | Innovation in Action        |

 - Critical to Digital Progress

# Mr. Chansin Treenuchagron



*PTT President and Chief Executive Officer*



*“PTT has prepared and developed the full potential of its management and employees at all levels so that they represent the company values of integrity, intellect, professionalism and a willingness to learn” – Source: 2018 Corporate Sustainability Report*

# Q & A