

# **BUILDING A SUSTAINABLE HUMAN CAPITAL STRATEGY** **– BUILDING OWN TIMBER**

**Raiha Azni Abd Rahman**

**PETRONAS Vice President *of* Human Resource Management**

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## OBJECTIVE



Sharing of PETRONAS' efforts to attract, develop and retain skilled work-force – as a sustainable Human Capital Strategy ...

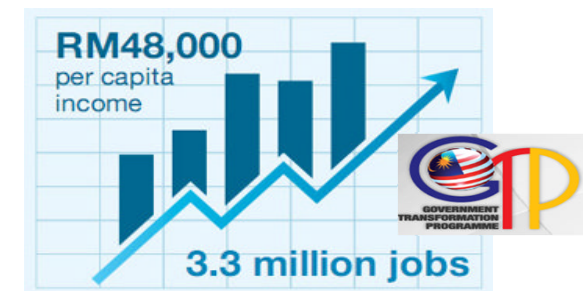
- to meet and realize PETRONAS business agenda
- to spur and leverage industry partnership to support Malaysia to become the regional education and learning hub for the Oil and Gas industry.



Attract, Develop & Retain



Realize PETRONAS Business Agenda



Malaysia – Regional Education & Learning Hub for Oil & Gas

## PRESENTATION OUTLINE

- **A TRIP DOWN MEMORY LANE – SMALL STEPS TO A GIANT LEAP**
- **PETRONAS & HR AGENDA – IT FITS LIKE A GLOVE**
- **DOING IT TOGETHER, WE HAVE ACHIEVED MORE**
- **FUELLING TRANSFORMATION - A BRIGHTER FUTURE**

# A TRIP DOWN MEMORY LANE – DARING PROPOSITION FROM REGULATOR TO AN ACTIVE INTEGRATED PLAYER SHAPED THE COMPANY’S HUMAN CAPITAL STRATEGY OF BUILDING OWN TIMBER ...

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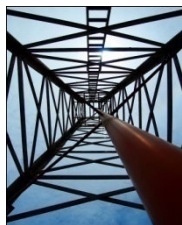


LAWS OF MALAYSIA

REPRINT

Act 144

PETROLEUM DEVELOPMENT ACT 1974



**1910**

Grand Oil Lady of Miri  
GoM Concession

**1974** PETRONAS Incorporated

**1976** 2 PSC with SHELL & 3 PSCs with ESSO

**1980s**

Beginning of Downstream & Petrochemical Projects



**1983**

MLNG 1<sup>st</sup> Shipment flagged off from Tg Kidurung



**PETRONAS CARIGALI**



**1980 & 1981**

PCSB 1<sup>st</sup> Appraisal Well - Duyong (Gas) and Dulang (Oil)



43k



**Progress**  
Acquisition – Strengthen Unconventional Play

**2012** 68<sup>th</sup> in F500



**2007** The new 7-Sisters



**1990s** International Ventures

*Shadowed Expats and Experts in Technical Area*

*Began to lead in Technical Areas*

*Building & Exporting Talents*

**1981** ILPP set-up [now known as INSTEP]

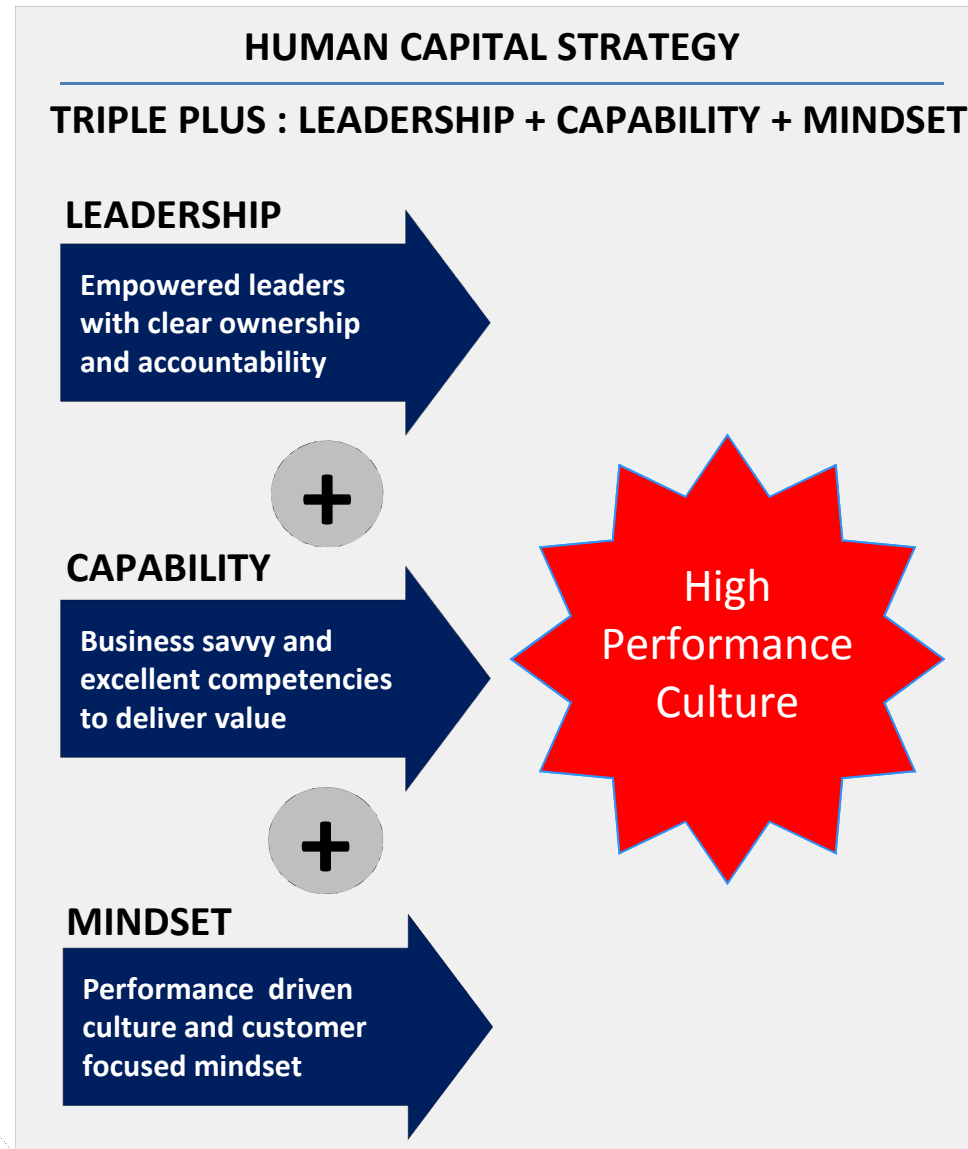
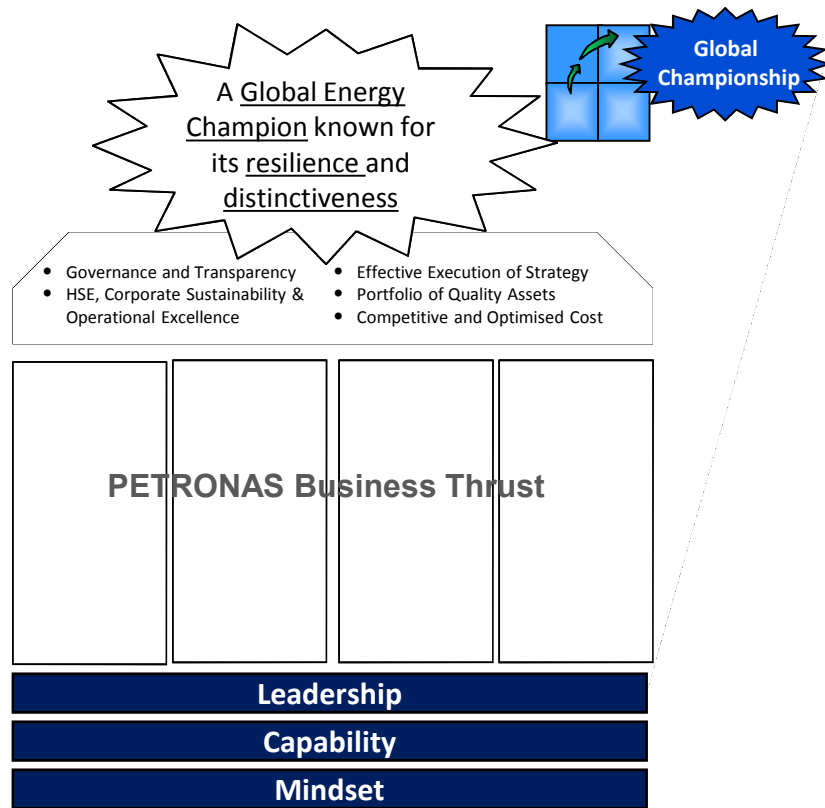
**1989** PERMATA Established [now known as PLC]

**1997** UTP Incepted & Acquired MISC; own stake in ALAM, 2004

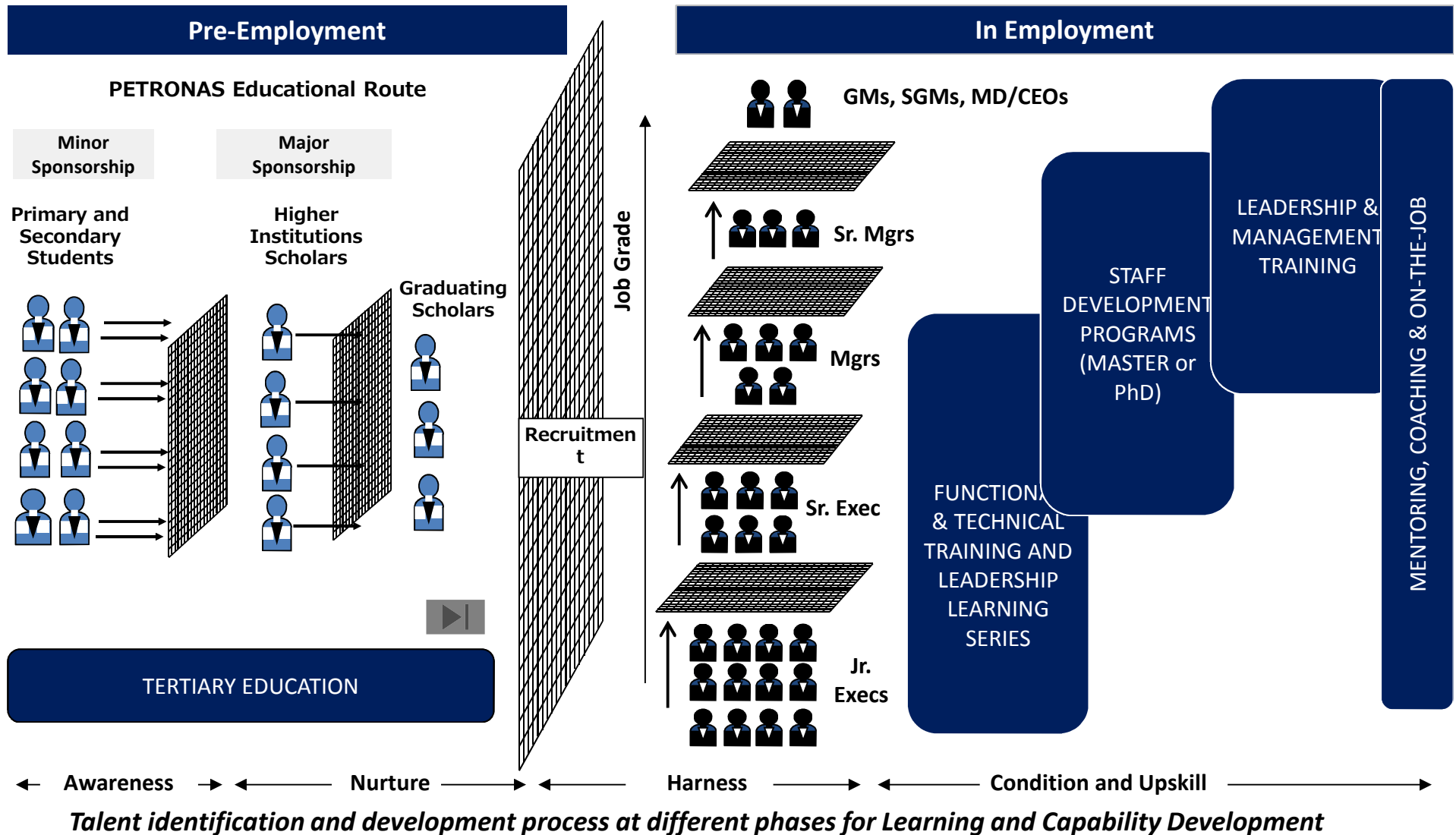
**2011** Education Transformation

Source :  
A Vision Realised by Paddy Bowie 2001,  
Corporate Information 2011, Team Analysis

**OUR TALENTS AND WORKFORCE ARE NURTURED, HARNESSSED AND DEVELOPED TO DELIVER SUPERIOR BUSINESS RESULTS ...  
- IT FITS LIKE A GLOVE**



# LEARNING AND CAPABILITY DEVELOPMENT BEGINS FROM SPONSORSHIP AND CONTINUES THROUGHOUT STAFF CAREER - SELECTION BASED UPON MERITOCRACY



# PETRONAS CORPORATE SOCIAL INVESTMENT (CSI) INITIATIVES FOCUSING ON EDUCATION & CAPABILITY BUILDING TO EMPOWER THE COMMUNITIES IN MALAYSIA



**Partner:** Ministry of Education and Schools  
**Led by** PETRONAS and PETRONAS' staff / volunteers  
**Key Focus:**  
 ✓ Academic Excellence  
 ✓ Enhanced Self-Confidence

## PETRONAS Minor Sponsorships Programme



**Partner:** Ministry of Education  
**Key Focus**  
 ✓ Education support and capability building



**CONTINUOUS EDUCATION SUPPORT  
 & CAPABILITY BUILDING FOR  
 UNDERPRIVILEGED YOUTHS**

## PETRONAS Major Sponsorships Programme



**Partner:** Ministry of Higher Education  
**Key Focus**  
 ✓ Education Support & Capability Building

### UNIVERSITI TEKNOLOGI PETRONAS



**Key Focus**  
 ✓ Endowment Management  
 ✓ Well Rounded & Innovative Scholars

### PETROSAINS



**Key Focus**  
 ✓ Fun & Interactive Experience in Science & Technology

### AKADEMI LAUT MALAYSIA & INSTITUT TEKNOLOGI PETROLEUM PETRONAS



**Key Focus**  
 ✓ Marime Education & Learning  
 ✓ Technical Tradesman / Apprentice School

### PETRONAS Partnership with Technical Institutions

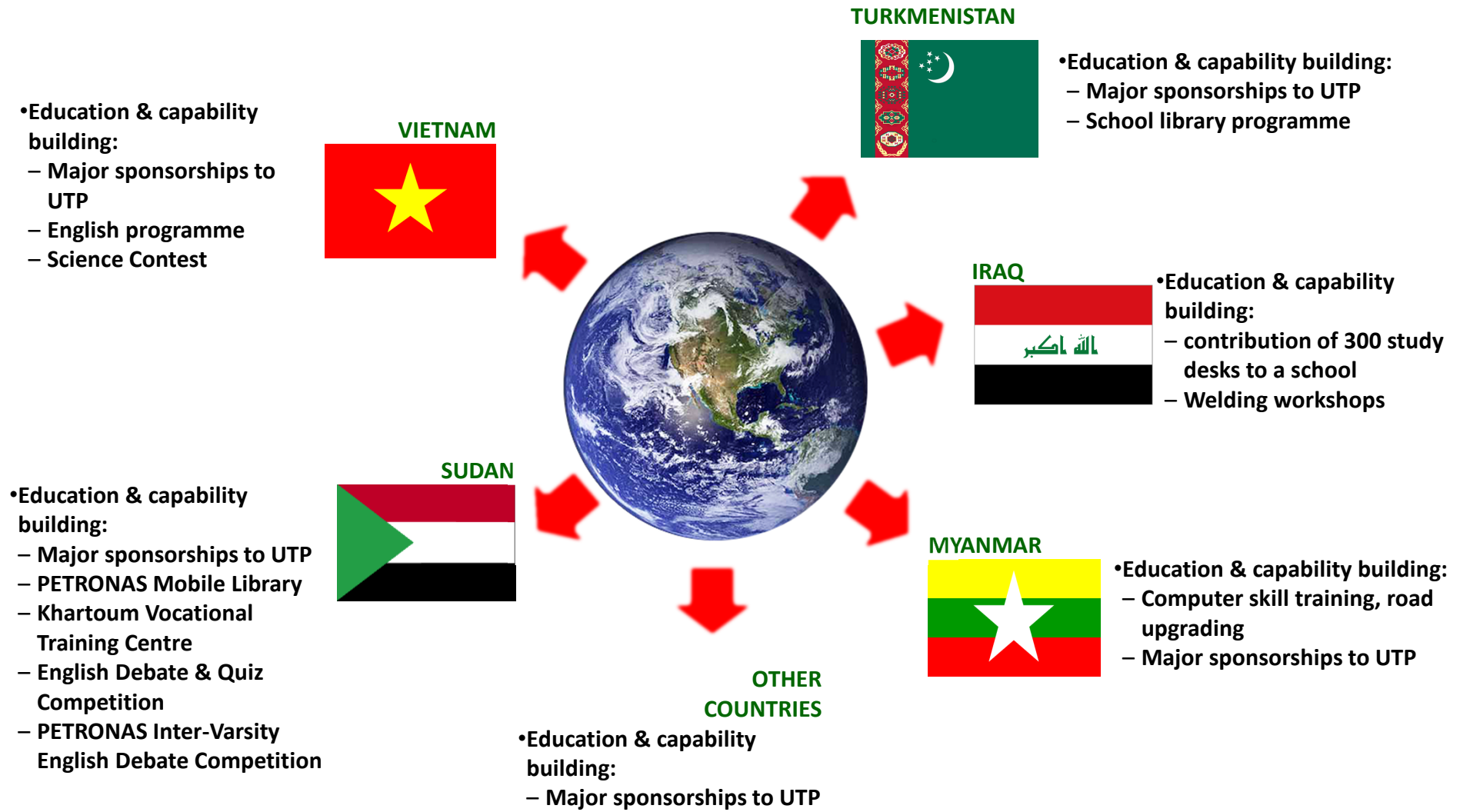


**Partner:** MARA, GIATMARA, JTM  
**Key Focus**  
 ✓ Education Support & Capability Building in basic technical skills

**NURTURING TALENTS AND SKILLED  
 WORKFORCE FOR O&G INDUSTRY**

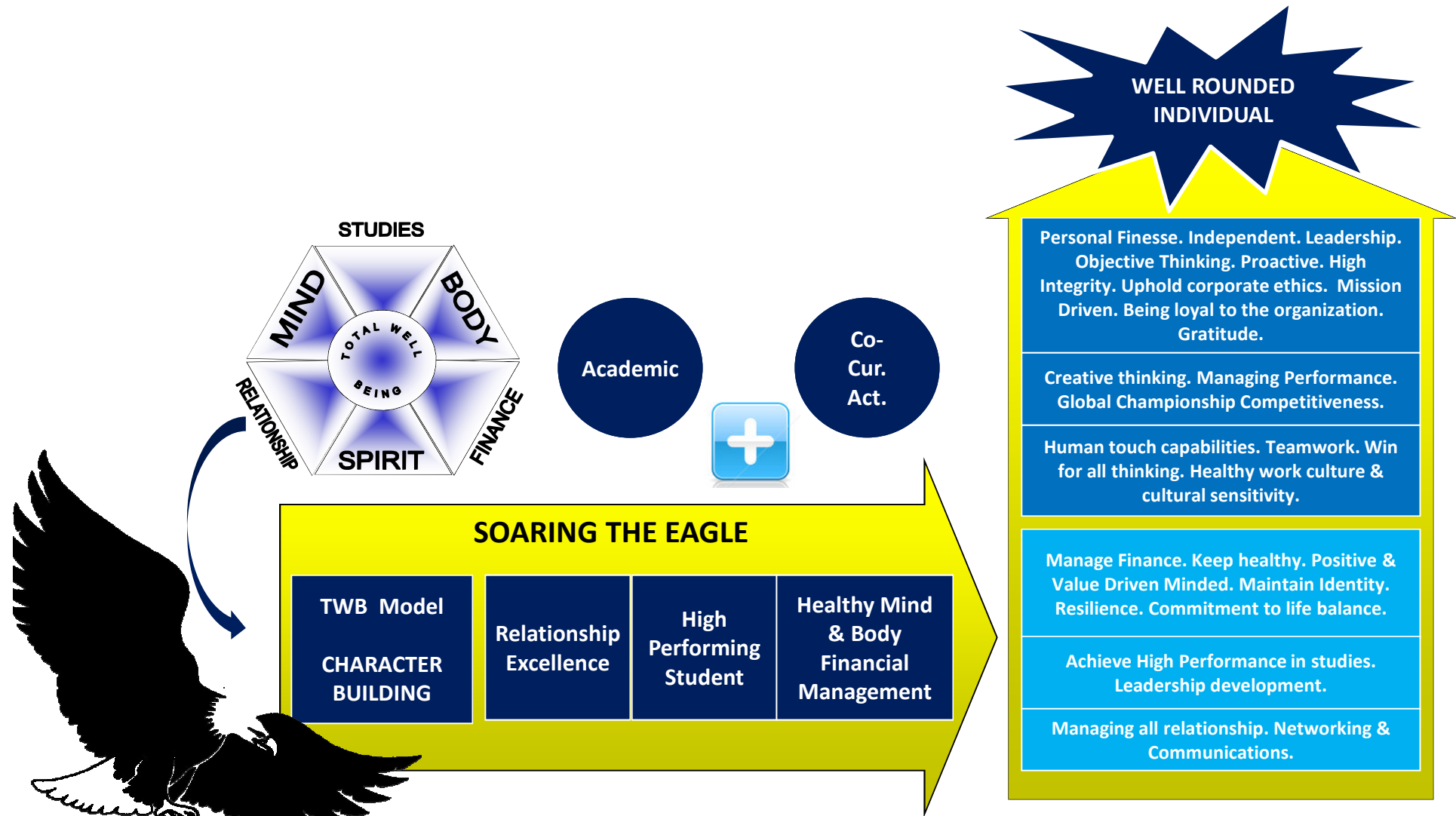


**SIMILARLY IN OTHER COUNTRIES WHERE WE OPERATE, WE ARE IMPLEMENTING CSI INITIATIVES FOCUSING ON EDUCATION & CAPABILITY BUILDING TO SUIT THE LOCAL COMMUNITY NEEDS**

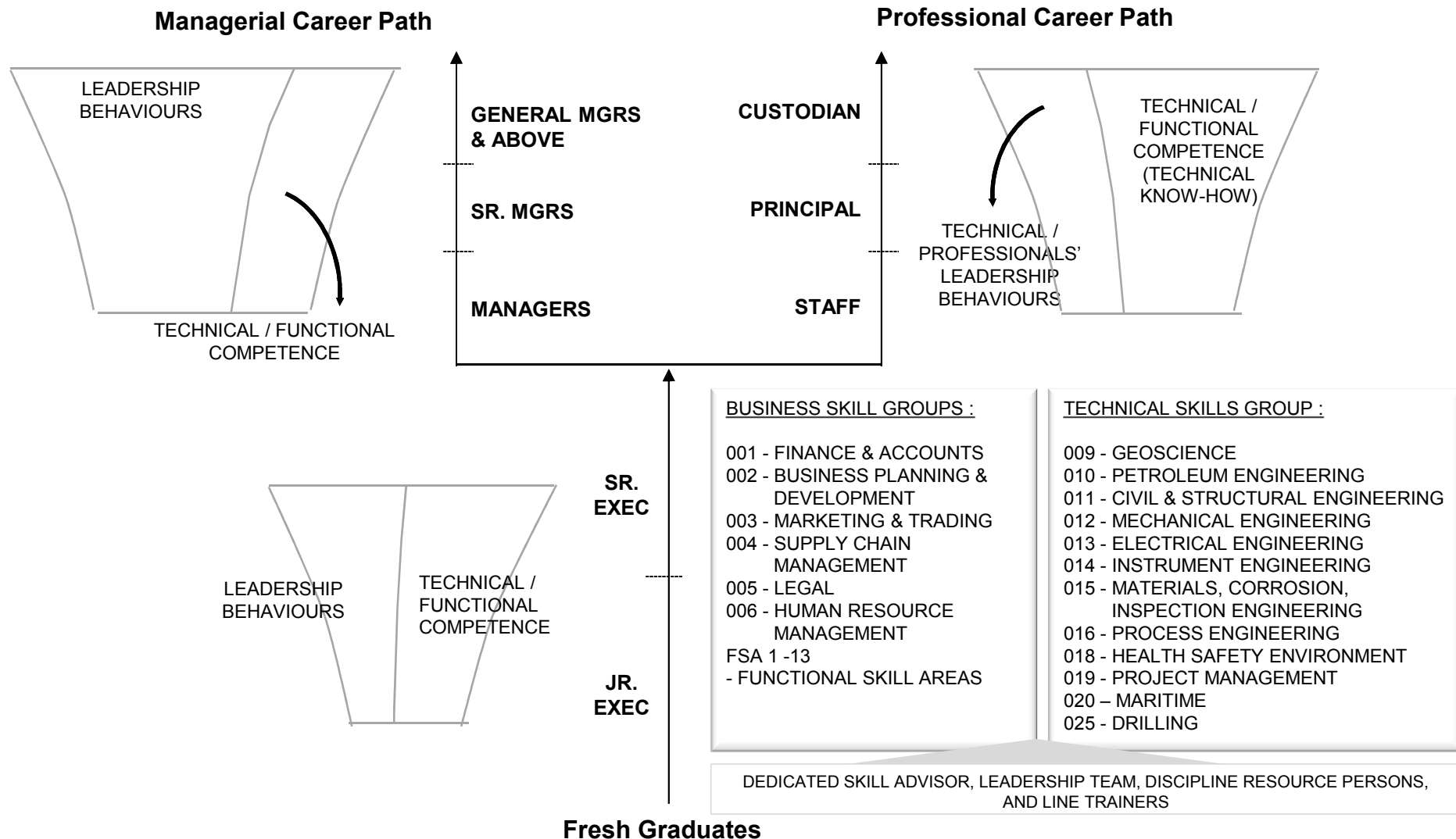




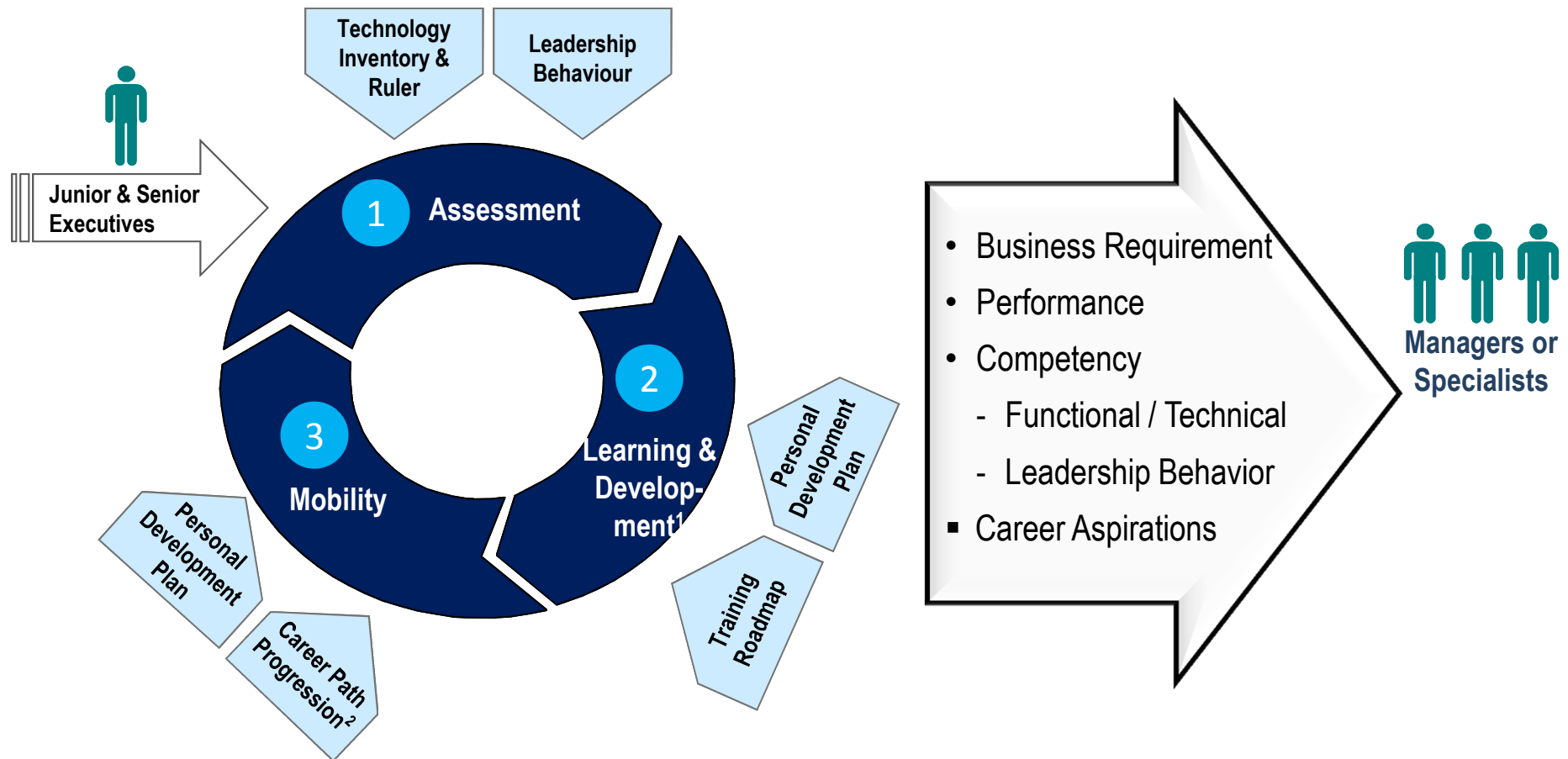
**PETRONAS' STUDENTS ARE EQUIPPED, NOT ONLY ACADEMICALLY AND TO ACTIVELY PARTICIPATE IN CO-CURRICULAR ACTIVITIES; BUT ALSO WITH SOFT SKILLS TO PREPARE THEM AS THE NEW ECHELON OF THE COMPANY'S FUTURE LEADERS...**



# PETRONAS' STRUCTURED CAPABILITY DEVELOPMENT AND DUAL CAREER OPTIONS ALIGNED TO BUSINESS REQUIREMENT ...

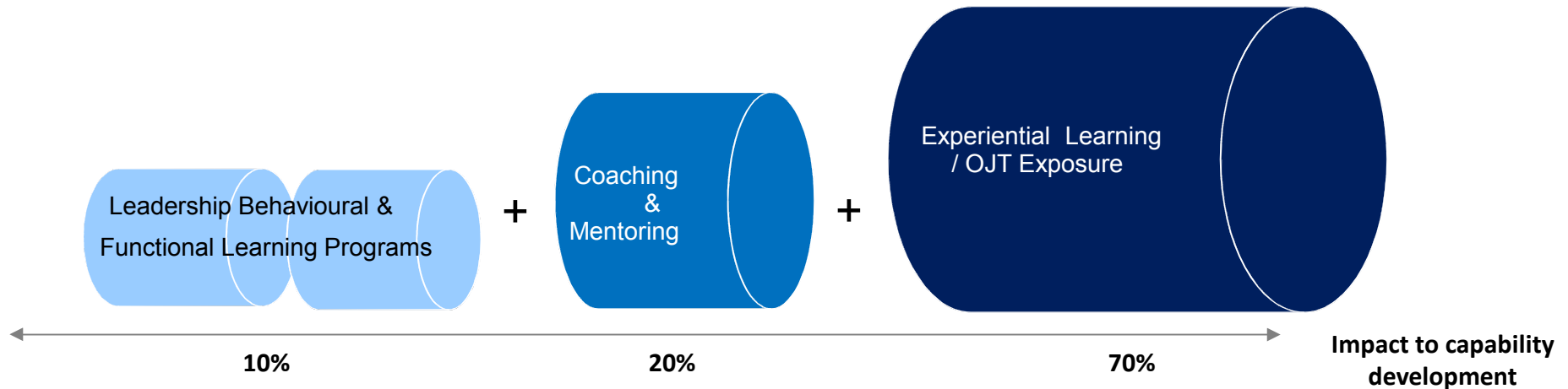


... ACCELERATES THE DEVELOPMENT OF COMPETENT AND CAPABLE WORKFORCE; WHILST AT THE SAME TIME PROVIDES THE CLEAR PATH FOR TALENT TO GROW ....






## APPROACHES TO LEARNING & DEVELOPMENT ACTIONS



| Trainings   | Coaching & Mentoring   | Experiential Learning  |
|---|--|--|
| <p><b>Functional</b></p> <ol style="list-style-type: none"> <li>Essential Skill Group Development Programs (SGDP)</li> <li>Supplementary SGDP</li> <li>Staff Development Programs (SDP)</li> <li>OPU / specific programs</li> </ol> <p><b>Behavioural</b></p> <ol style="list-style-type: none"> <li>Induction Program - PIPE</li> <li>PETRONAS Leadership Learning Series (PLLS)</li> <li>Conditioning/transition programs (MYLS, LEAP SM, LEAP GM, LEAP for TP)</li> <li>Management programs (MDP, Duke CE, AMP)</li> <li>PETRONAS Emerging Leaders Program (classroom, shadow coaching &amp; co-leading)</li> <li>Leadership Talk</li> </ol> | <ol style="list-style-type: none"> <li>Mentoring for new entrants and/or top talent</li> <li>Functional/Technical coaching</li> <li>Leadership coaching</li> </ol> | <ol style="list-style-type: none"> <li>On the job</li> <li>Special projects / task force</li> <li>Secondment to JV partners</li> <li>Other attachment or secondment</li> <li>Mobility within /cross department, OPU, business.</li> <li>Mobility within or across skill groups.</li> </ol> |

**“I hear and I forget. I see and I remember. I do and I understand”**

# LEADERSHIP DEVELOPMENT GUIDELINES, PROGRAMS AND OTHER ENGAGEMENT PLATFORMS TO BUILD & RETAIN DEEP LEADERSHIP (TOP TALENT) BENCH ...

|  | Test areas before being considered for the next challenge  | Mobility Guidelines   | Leadership Developmental programs  | MBA for selected talents   | Other experiential programs or talent engagement  |
|--|--|---|--|--|---|
| <p>E5 / E6</p> <p><b>Potential enterprise leader</b></p> | <ul style="list-style-type: none"> <li>Ability to <b>lead across boundaries</b></li> <li><b>Impact</b> and influence <b>diversified</b> stakeholders</li> <li><b>Grow</b> business/ expand boundaries</li> </ul>   |  <p>Enhance Scope/ Unfamiliarity</p>      | <p><b>Advance Management Program (AMP)</b><br/>[ E.g. Harvard, Wharton, Kellogs NWU, MIT Sloan]</p> <p><b>SMDP</b></p> |  | <p>Bean Bag CoC</p> <p>Leadership Coaching</p> <p>Bean Bag CoC</p>  |
| <p>E4 / E5</p> <p><b>Functional leaders</b></p>          | <ul style="list-style-type: none"> <li>Ability to <b>think</b> and act <b>strategically</b></li> <li>Ability to lead leaders (including managing performance consequence)</li> <li><b>Accountable</b> for bottom line (P&amp;L)</li> <li><b>Lead</b> turnaround or M&amp;A</li> <li>Lead <b>diversified</b> workforce</li> </ul> | <p>P&amp;L Position</p> <p>Corporate Position ↔ BU/OPUs Position</p> <p>Commercial Position ↔ Operation Position</p>        | <p><b>LEAP</b></p> <p><b>MDP</b></p> <p><b>MYLS</b></p>  | <p>Techno-Commercial Program for CTT i.e. MBA - Finance</p> <p>Functional Specific MBA for BTT or TP</p> | <p>Career Planning &amp; Discussion (e-CAREER)</p> <p>Transition Coaching</p> <p>Mentoring for TT</p> <p>PELP</p> <p>Career Planning &amp; Discussion (e-CAREER)</p> <p>Transition Coaching</p> |
| <p>E2 / E3</p> <p><b>Potential leaders</b></p>           | <ul style="list-style-type: none"> <li><b>Desire</b> and ability to implement change</li> <li><b>Competitiveness</b> (desire to win)</li> <li><b>Ability</b> to get things done through others</li> <li>Appreciation of PETRONAS as an <b>integrated</b> business</li> </ul>   | <p>Corporate Position</p> <p>Upstream Position ↔ Downstream Position</p> <p>Technical position → Non technical position</p> |  |  |   |

## DOING IT TOGETHER, WE HAVE ACHIEVED MORE

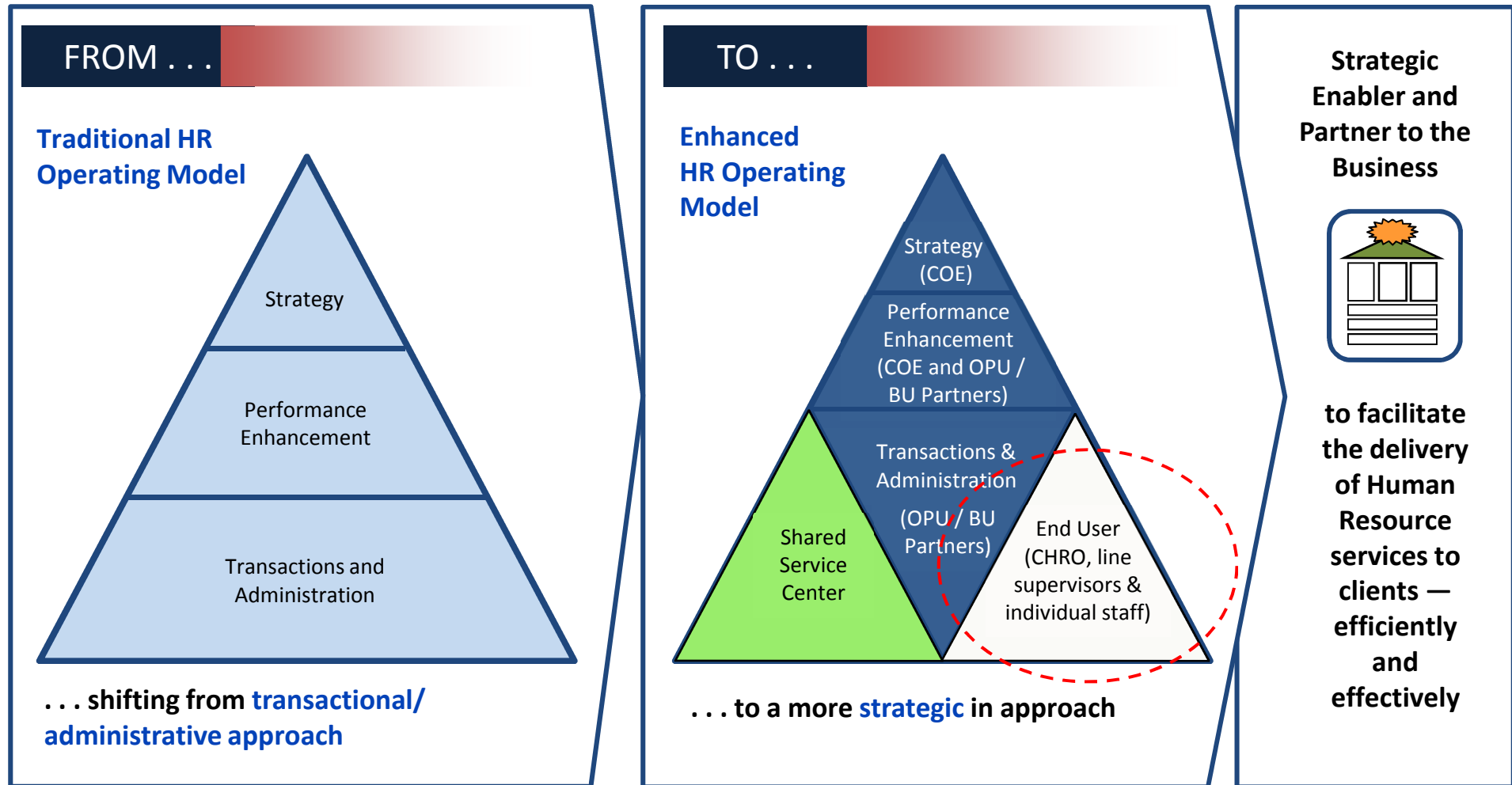
*“When spider webs unite, they can tie up a lion.”*

**Ethiopian Proverb**



# BUSINESS + HR – CREATE LOVE NOT MAKE WAR

## - THE ENHANCED HR OPERATING MODEL PROMOTES LINE OWNERSHIP & ACCOUNTABILITY IN ATTRACTING, DEVELOPING AND RETAINING TALENTS





# WE LEVERAGE AND ENCOURAGE INDUSTRY STAKEHOLDERS & INSTITUTIONS TO COME TOGETHER AND BUILD THE REQUIRED SKILLED WORKFORCE FOR THE INDUSTRY AND ORGANISATION'S LONG TERM ASPIRATION



\* E.g. Government Agencies, Other Learning Institutes or Industry Players, etc.

# EXTENSIVE COLLABORATION AND PARTNERSHIP WITH INDUSTRY PLAYERS & PARTNERS IN BUILDING A CAPABLE AND COMPETENT WORKFORCE

## Oil, Gas & Energy Companies

- Research & Development
- Professor Chairs
- Student Sponsorship
- In Kind Contributions / Software Donations
- Staff Exchange Programs
- Joint Education & Capability Study and Programs

Logos of industry partners: Baker Hughes, Schlumberger, GE, Technip, Halliburton, Petrofac, and SapuraCrest Petroleum.

**SAMPLE :  
NON-EXHAUSTIVE**

## Partners

- Staff Exchange Programs
- Approved Assessment & Training Institute for GoM
- Positioning as Approved Training Provider & Assessment Centre

Logos of partners: HayGroup, Suruhanjaya Tenaga, Department of Occupational Safety & Health (DOSH), Ministry of Human Resources, Jabatan Alam Sekitar Malaysia, OPITO, and SIRIM.

**OPITO** **SIRIM**

**UNDER DEVELOPMENT**

# LEARNING AND CAPABILITY DEVELOPMENT STRATEGIC ALLIANCES HAVE CONTRIBUTED TO THE INCREASE OF PARTICIPATION FROM BUSINESS PARTNERS IN UTP ...



| Level      | No Staff |
|------------|----------|
| Prof Chair | 3        |

Ongoing



Schlumberger



Committed

Technip

KENCANA  
PETROLEUM

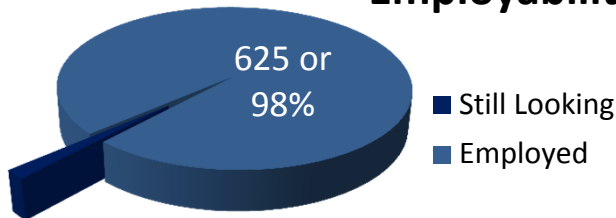
SapuraCrest  
Petroleum

BAKER  
HUGHES

Petrofac

Transocean

## Employability



11 or 2%

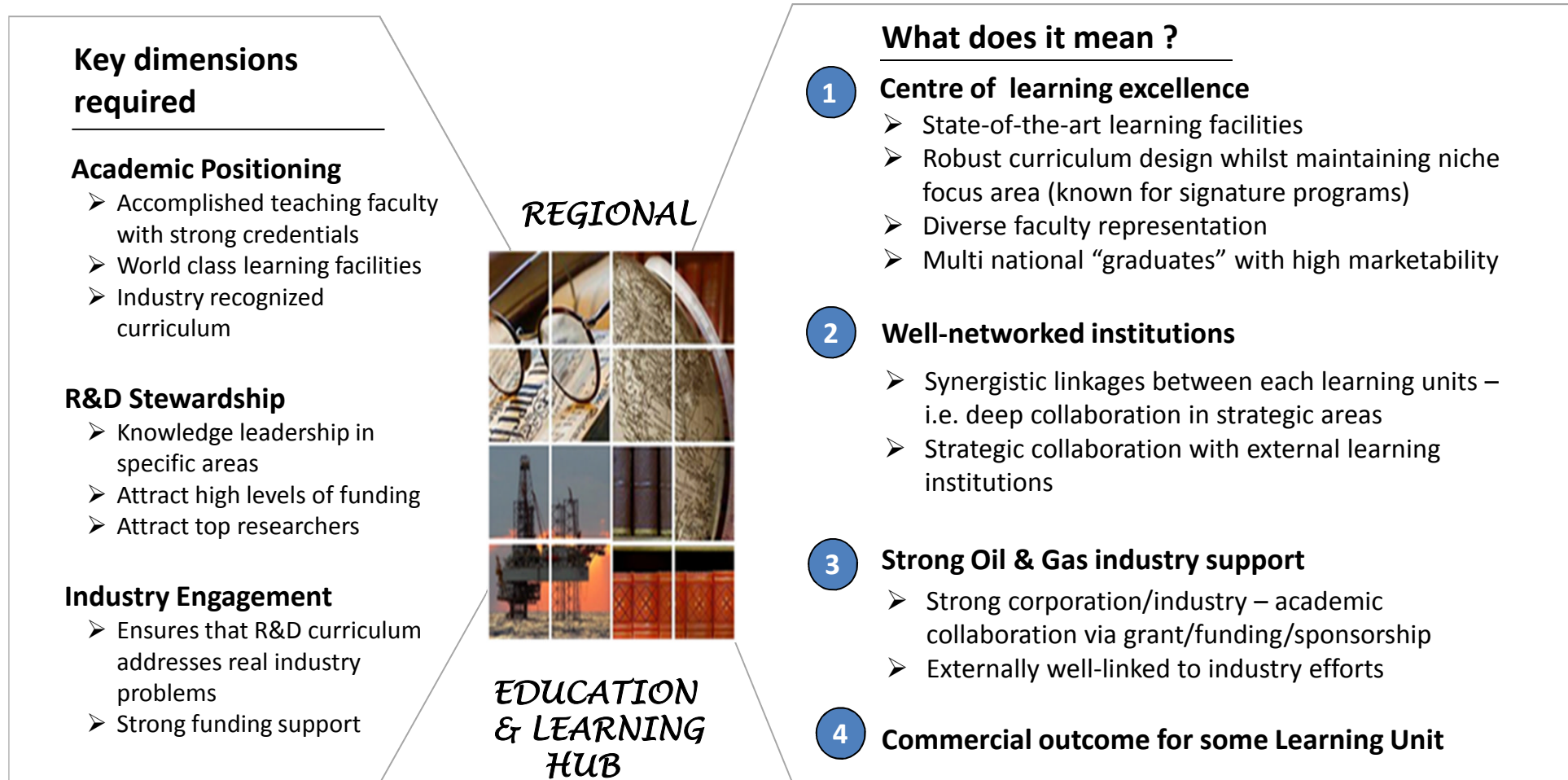
## Industry Linkages & Aligned

- Research & Development
- Professor Chairs
- Student Internship & Sponsorship
- In Kind Contributions

Source : UTP, data as at 11 Aug 2011

## FUELLING TRANSFORMATION – A BRIGHTER FUTURE

# PETRONAS LONG TERM ASPIRATION : ‘A REGIONAL EDUCATION AND LEARNING HUB’



Involvement and support from the industry is vital to be on the right course.

***Come together, right now ...to be able to build the required skilled workforce for the industry***

# THE FOUR LEARNING INSTITUTIONS SERVES AS A PRIME LEVER IN DEVELOPING DISTINCTIVE TALENT CAPABILITY FOR THE INDUSTRY



UNIVERSITI  
TEKNOLOGI  
PETRONAS

*Internationally  
Recognized  
Research  
University*



*A Center of Excellence  
for Maritime  
Education and  
Training*



*Recognized as a  
Leading Technical  
Training and  
Accreditation Centre*



*A Premier Institute  
& Centre of  
Excellence in  
Leadership*

*Thank you* . . . . .  
*Thank you* . . . . .

