



Women in Energy: Closing the Gender Gap

Big Oil's macho image has begun to fade as male domination of the energy industry has yielded to the realities of the workplace. Reflecting this, Madrid was the first World Petroleum Congress with a special session dedicated to the role of women in today's industry environment, where skills and talent trump gender. Anne Feltus reports.

Increasingly, women can be found on the rigs, at the refineries and, more significantly, in positions where their authority and influence can have a substantial impact on the industry's future. Indeed, the 19th WPC had a record number of female chairs.

Unquestionably though, a gender gap still exists. Women currently represent a fraction of the oil industry's workforce and are even scarcer in engineering and other technical fields that are the lifeblood of this business. More importantly, progress varies significantly from country to country and tends to reflect how women are viewed in a region's society. But even in more male-oriented cultures, the pace of progress appears to be picking up.

● Statistics point to progress

Global statistics on women in energy are often hard to find, inconsistent, incomplete or lumped together with other categories such as race, as speakers at the special session pointed out. Still, data reported by some of the multinational majors reveal not only that more women are entering their ranks, but also that more of them are moving up the corporate ladder.

For example, about 12% of ExxonMobil executives are women, compared to 9% in 2000; women comprised 38% of the professional and management personnel hired by the company in 2007. The percentage of women executives at BP more than doubled between 2000 and 2007. Shell's *Annual Review 2007* reported that women represented 31% of all professional hires and 20% of recruits for technical roles. Women in management actually increased from 8.9% in 2000 to 17.1% in 2007, while the percentage of women in senior positions rose from 7.2 to 12.1 during the same period toward the company's stated global goal of 20%.

Some 23-24% of the managers at StatoilHydro are women, according to Hege Marie Norheim,

▶ Women are increasingly found in field positions in the petroleum industry...





the company's Senior Vice President for research and business development, who was the first female Vice President of the World Petroleum Council. But, she says, that's not good enough. She asks, "Why shouldn't it be 50%?"

Norheim also notes that half of staff management positions at StatoilHydro are filled by women, while females hold only 11% of asset management positions in the lines of business. "That means the important jobs, the business jobs, are still given mainly to men," she points out. "Women tend to head human resources, communications, finance or law."

However, she adds this: "Things are changing."

Indeed, one of Norheim's fellow panel members for the special session during the 19th WPC was Rukmi Hadihartini, who is one of two female board members with asset management responsibilities at Indonesia's Pertamina. Hadihartini is Corporate Senior Vice President Refining and her colleague Karen Agustiawan is Corporate Senior Vice President Upstream.

What's driving these changes? In Norway, one factor is a particularly progressive attitude about women in the workforce and pressure by country leaders to bring more women into the oil sector. As Norheim explained at the 19th WPC, a law that became effective in January requires that 40% of the board members of Norwegian listed companies, including more than three dozen energy companies, must be women.



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The panel members for the special session were (from left to right) Jacqueline Lecourtier, Rukmi Hadihartini, Ulrike von Lonski, Nawal Al-Fuzai and Hege Marie Norheim.





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Finance is one of the areas
in which women have a
strong position.



“That has been a major driving force for a lot of focus and discussion on women in management in Norway,” she says. “A lot of companies have been looking for women to put into their boards and to enhance their networks with women executives.”

Norwegian Prime Minister Jens Stoltenberg also serves as a strong advocate for women in the energy workforce. At the Northern Offshore Seas conference in Stavanger in October 2006, he stated that he found the pace of progress “disheartening” and challenged the petroleum and energy sector “to redouble their commitment to gender balance and to increase the representation of women at all levels in their organisations, especially at the management and board level.”

In Norway and elsewhere around the world, a major motivator for recruiting, retaining and developing women in the oil industry is the labour shortage that is looming on the horizon. It’s resulting, in part, from layoffs that occurred in the 1980s and 1990s when crude oil prices plummeted. More importantly, however, the industry’s workforce is ageing. The average worker in the oil patch is over 50, and a significant percentage of older employees are expected to retire within the

next decade. With this exodus threatening to cut a swathe through their ranks, energy companies are looking for bright, talented people to fill the void – and that means casting a broader net.

But, it’s not just a matter of keeping the talent pipeline full. As Norheim observes, “You don’t want 100% men above 60 who have done the same things and looked at things the same way.

“Getting women into management,” she says, “is really about diversifying management and making sure you put together management groups that represent different perspectives. Gender is an obvious difference between people, but so are age, educational background and nationality.”

Lisa Cavanaugh, Business Development Manager for Key Energy Services, the largest land-based well services company in the US, elaborates: “Men and women tend to approach business a bit differently. It’s not about intelligence or drive, it’s about how they think about problems. When you bring a broader set of people together, you get better solutions to problems and more effective working relationships.”

Cavanaugh, who came to Key Energy Services from Accenture about three years ago, says her





Recruiting talented young women will help to address the problem of an ageing workforce.

experience has shown that when women are part of the problem-solving mix, “the dialogue is a little different. There is more of a propensity to listen to each other and work more co-operatively together,” she explains. “It’s partly because I’m relatively new to the oil and gas industry, but I try to listen and to understand challenges we’re facing and how we can effectively work with customers. People sense that and tend to open up and share more, so we can more effectively come up with optimal solutions at the end of the day.”

● Reaching out to women

A number of energy companies have taken steps to recruit women, to make the workplace more hospitable for female employees and to foster their professional development. “Shell has increased its focus on college recruitment, experienced hire recruitment, mentors and networks for women,” says Linda Hubner, Shell Exploration Manager, Latin America. “In addition, Shell supports and tracks the progression of women, which allows us to monitor progress. The biggest impact has been the decision to ensure that a broad spectrum of candidates is reviewed for jobs.”

Flexible work schedules and child care provisions have also helped women balance work and family demands. Diversity councils as well as diversity and inclusiveness training initiatives have played an important role in removing barriers and promoting a more positive work environment for parents.

Adds Cavanaugh, “At Key, we have a number of different programmes that aren’t targeted specifically at women, but are intended to improve the effectiveness of the workforce, regardless of gender, ethnicity or other factors.” For example, she says, a programme called Communication, Awareness, Respect and Encouragement, or CARE, was rolled out about two years ago to address employees’ need to feel relevant, valued and respected.

Some industry leaders, such as John Hofmeister, who recently retired as President of Shell Oil Company and US country chair for its parent company, Royal Dutch Shell, say quotas would institutionalise and expedite efforts to address the gender imbalance in the oil business.

However, not everyone shares this perspective as was highlighted in debate at Madrid. During



▶ Shell has many women in senior leadership roles such as Linda Cook.



the special session Jacqueline Lecourtier, Director of the French National Research Agency (ANR) and a former member of the WPC Executive Committee, said quotas were needed. Some panel members disagreed while Norheim stressed the need to make a distinction between targets and quotas. “A lot of women feel quotas don’t pay respect to their abilities and their right to be there in terms of their own professional contributions,” she notes.

Cavanaugh isn’t a “big fan” of quotas, either. “The goal should be to hire the right person for the job and look for the skill set and capabilities that match the job set,” she says.

Cavanaugh suggests that effective mentoring programmes can produce better results than quotas in levelling the playing field. “There is a lot of relationship-based decision-making, a lot of politics, in this business,” she says, “and navigating through those is a critical skill set women can help other women acquire.”

Women who have worked their way into leadership positions agree that they provide excellent role models and mentors for those who aspire to follow in their footsteps. Norheim puts it this way: “We have an obligation to younger

women to be visible and make sure we don’t pull the ladder up behind us.”

Hubner adds: “Women who start in the industry now can see other women who have made it through to the very top. The cycle has been completed – from start to finish – by industry veterans. When I started at Shell, women were still breaking barriers to achieve executive positions. [Now] it is not unusual to see women on teams and in leadership positions at Shell.”

Shell, in fact, has one of the best track records in the industry with a lengthy list of women in senior leadership roles headed by Linda Cook, Executive Director of the company’s gas and power unit and a member of the board of Royal Dutch Shell since October 2004. Other women who have been in Shell’s leadership line-up include Corporate Affairs Director Roxanne Decyk, who serves on the Royal Dutch Shell Executive Committee; Fran Keeth, who retired as Executive Vice President of Shell Chemicals at year-end 2006; and Lynn Elsenhans, who preceded Hofmeister as US country chair and then served as head of Shell’s global manufacturing business before being named the first female Chief Executive and President of refiner Sunoco in August.

● Addressing broader issues

Women who have climbed the corporate ladder in the oil business admit it wasn’t – and still isn’t – easy. But, they also say many of the challenges they struggle with are no different than those their male counterparts face.

“People in this industry respect knowledge and confidence and the strength of your convictions,” Cavanaugh says. “You need to be able to commit time and energy and to continue to improve and sharpen your skills sets to adjust to technological changes.”

Many of the obstacles in the path of progress, women say, have, in fact, been “couples” issues that come from having dual-career families. Norheim provides an example: “Anybody who wants to have a career in the energy sector needs





to have international experience, because this is a very global industry,” she explains. “Most of us have dual-career relationships or families, and that’s a problem. If one person is promoted and asked to move internationally, the other might not be able to find a suitable job.”

Although Norwegian companies tend to accommodate trailing spouses, not every country has such progressive views. “It has a lot to do with the country you move into,” continues Norheim. “Some countries tend not to give spouses permits to work, and that can be a show stopper. A lot of companies are working with the governments to change that.”

Cavanaugh believes that the challenges facing women in the energy industry are no different from – and, in fact, might be easier than – those women must deal with in other sectors. “I would actually say I haven’t been treated any better or worse than when I was in consulting. It can be a dog-eat-dog world, tough not just for women, but for anyone in that environment. In some ways, I believe there’s more politeness and respect for women, at least on the surface, in the oil industry than I ever saw in consulting, and men are more appreciative of the perspective I bring to the table in this industry.”

● A different perspective

While women are gaining a steady foothold in the companies and countries where Norheim, Hubner and Cavanaugh work, success has been slower in some other places. For example, in Kuwait, where women weren’t allowed to vote until 2005, views about women stand in the path of progress.

In this oil-rich nation, men who want to work and advance in the energy industry have a competitive advantage, according to Nawal Al-Fuzai, Assistant Under Secretary for Economic Affairs in the Kuwaiti oil ministry. Why? Because of the type of work and the environment in which it must be performed, she believes.

“Most of the oil business is in the desert or in the area outside the city,” Al-Fuzai says. “In Kuwait, it’s very hot and dusty in the summer. It’s

also a risky business, working in a refinery or gas station or petrochemical plant.

“There are a lot of dangerous products, dangerous emissions and dangerous gases, which affect women’s bodies and health, especially if they are pregnant or in their period,” she believes.

According to Al-Fuzai, long hours, sometimes involving shift work, also serve as an impediment for Kuwaiti women. “If you’re not married and don’t have responsibility for a house and kids, it’s easier to work on these kinds of jobs,” says the 28-year industry veteran, who has remained single. “If you have a family, kids and a husband, it’s not easy to work in this type of environment.”

Do the Kuwaiti women who work in the industry have the same treatment, training and promotional opportunities as their male counterparts? Yes, Al-Fuzai says. But she also points out, “To be a lady in a gathering of oilmen is something that is very hard. I have to show that I am capable to do the work, capable to run the meeting, capable to put in my comments and get satisfactory answers.”

Nonetheless, Kuwaiti women have joined the Kuwait Petroleum Company and its subsidiaries in greater numbers over the last two decades and more women have risen to leadership positions, as Al-Fuzai told delegates in Madrid. That increase, she says, has occurred, in part, because of the growing number of women who are graduating from college and looking for high-paying jobs, which primarily can be found in the oil sector.

She also notes that in Kuwait, as in other countries, the need is growing for competent workers, regardless of their gender. And as energy companies around the globe expand their efforts to recruit, retain and develop employees with a broader range of backgrounds, experiences and perspectives, more gender barriers will begin to fall.

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