



## The Gamechangers Adamantine Foundation 3

by Tisha Schuller

In this third part of our Adamantine Foundations series, I lay out three gamechangers that form a playbook for any leader who wants to engage the disruption underway and seize the mantel of energy leaders.

For oil and gas leaders, day-to-day business needs have not gone away — companies still must move product, maintain operations, and turn a profit. But the three disruptors, [presented in the second foundation essay](#), are overturning every element of leaders' daily responsibilities — from short to long term. As a result, the gamechangers are relevant to your entire business strategy — not to just one silo such as ESG. The playbook embraces three gamechangers:

1. Move millennials to the center of our internal and external strategies;
2. Articulate the shared energy future by setting the company compass to decarbonization; and
3. Provide broad civic leadership.

### Gamechanger 1: Embrace Disruption and Move Millennials to the Main Stage

I will admit: It has been hard for me to embrace the prospect of spotlighting millennials on the main stage for the rest of my career. Know this: Millennials are coming in hot whether we like it or not. They matter in raw numbers, both internally to companies and externally as stakeholders. They have the skills we need to transform oil and gas companies to meet the challenges of today. In fact, we need them more than they need us.

The best way to engage effectively with our millennial workforce is to *integrate them* into company strategy development, from soup to nuts. Here are a few ideas to get you started:

- **Engage millennials in strategy development.** Consider bringing millennials to the most important planning tables in meaningful ways.
  - **Change your “Go To” team.** In a crisis, we naturally turn to those we trust. However, there will be nothing status quo about leading into the energy future. Every time you are bringing in trusted advisors, ask yourself what emerging leader you can bring to the table as well.
  - **Create a “shadow board” to advise your executive team.** [The Harvard Business Review](#) lays out a compelling process to assemble employees outside of the executive team to work with them on strategic initiatives. What better time than now to leverage your millennials' creativity, insights, and values on the challenges ahead?
  - **Create a Working Group focused on external stakeholders.** In today's polarized environment, external relations is an all-hands-on-deck project. We require need fresh, diverse, empathic perspectives. External relations meetings should bring together a myriad of voices to develop novel, effective strategies.

- **Use your company values to create a place millennials want to work.** Societal opposition to oil and gas has obscured — for this generation — the purpose and meaning in our work. Articulate your value proposition to your millennial work force in terms that are meaningful to them.
  - **Involve your work force in innovation.** Engage your millennial workforce explicitly in the processes that drive company innovation.
  - **Integrate philanthropy and volunteerism into work.** Oil and gas companies like to keep a low profile when they give back. Instead, make civic engagement part of the company culture you celebrate. Explicitly engage your millennial workforce in brainstorming, planning, and executing good works.
  - **Bring environmental programs into the company culture.** You can instill pride in your workforce by integrating and celebrating your environmental commitments and stewardship.
- **Structure your company to support their success.** The pandemic has empowered many workplaces to test and adopt flexible practices that empower millennials in the work force.
  - **Meet evolved ambition.** Each millennial employee comes with their own mix of work and personal ambition. Companies can reap the rewards of the evolved ambition of this generation by providing generous paid time off, work flexibility, and customizing job opportunities in line with individuals' interests and life situations.
  - **Seek them out.** It is every boss's responsibility to engage their team members. It is not fair to expect them to "manage up" or insert themselves into prominent roles. Company leaders should be looking for the opportunity to invite millennials into crafting business strategy.
  - **Build their skill sets.** Most oil and gas companies are building the skills of their workforces through operational rotations and increasing responsibilities. Bring your millennial workforce into updating your programs by letting them inform you on which skills they need to take your company into the disrupted future.

Game-changing leaders understand: Millennials now set the conditions for our relationships with them. It's *our responsibility* to engage them — on their terms — and turn them into allies in the ever-present online world and in the material world. The next two gamechangers address key priorities of millennials. A big part of your millennial strategy is simply to change your game.

## **Gamechanger 2: Share Aspirations and Set the Course to Decarbonization**

Now more than ever, your company needs to be able to articulate their role in a decarbonizing future. If your investors have not asked for your stance, a permitting agency will. This gamechanger keeps you ahead of the public pressure that is inevitable. There are five steps to preparing your company and leadership team to share aspirations with stakeholders critical to your company success.

- **Step 1: Speak Climate Fluently.** Your regulators, stakeholders, customers, communities, and shareholders are participating in this new climate-dominated conversation. If members of your team do not understand how to do this constructively and proactively, you will be on your heels. Climate and its impact on all aspects of your business cannot be any single department's issue

anymore. I aspire to get every oil and gas company in North America talking about climate and decarbonization all the time. The public is; we need to do so as well.

- **Step 2: Share Aspirations for a Decarbonizing Energy Future.** Gamechangers seek to understand the aspirations of their stakeholders: We must find common ground with our shareholders, regulators, and the public. The most powerful disarmament tool in increasing polarization about oil and gas is breaking the logjam of conflict; instead of drawing lines, we join sides by articulating and fostering a shared ambition. As a stream of oil and gas companies and utilities have articulated net-zero carbon aspirations in 2019 and 2020, they have changed the conversation about the role of oil and gas in the energy future — for themselves and in their circles. They are seen as the exception to the rule of an industry stuck in the past, and their strategy is working. It is working because when an oil and gas leader says, *We too want a decarbonized energy future*, then stakeholders have to pause. A space opens in the dialogue.
- **Step 3: Embrace Skepticism.** Companies articulating a shared aspiration will meet skeptics. Leaders should embrace the skepticism that you can expect to meet both externally and within your organization. Skepticism is useful to strengthen your strategy and continue to propel you into action.
- **Step 4: Build Internal Alignment.** Setting shared aspirations is one of the most challenging first steps in changing the stance and culture of a leadership team. Building internal alignment can and should be iterative. No individual can change their perspective on these topics in a single sitting. Be patient and persistent.
- **Step 5: Take a Public Position.** As part of your internal strategy, you will want to make decisions about your company's stance on several related topics, which you may want to make public. The disruptors will bring these to your doorstep sooner rather than later, so it is best to begin working on the following topics now:
  - Your company's concern about and willingness to address climate change;
  - Your commitment to reducing your carbon footprint, both within your operations and ultimately for the products you move, produce, or sell.
  - Your willingness to make bold commitments to reducing emissions, carbon intensity, or changing your business model to accelerate decarbonization of your operations.
  - Your ability to make investments in R&D, partnerships, or demonstration projects to reduce emission and/or decarbonize.

It will not be long before a key stakeholder asks questions about your company's role in a decarbonizing energy system. Getting fluent on climate and identifying shared aspirations with your key stakeholders and then articulating your position is now prudent business strategy.

### **Gamechanger 3: Expand Your Influence and Lead Across Society**

Leadership at this moment requires much of us individually. But nothing is more important than charting our industry's civic leadership into the energy future. As companies assess the disruptors, oil and gas leaders can bring together their strategic teams to articulate the company's opportunities to lead broadly. Here are some key considerations:

- **Think like a community member.** Oil and gas companies are stellar at mobilizing in the wake of a natural disaster. Think in those terms today. Every stakeholder you have is overwhelmed by

uncertainty. How can you mobilize as a partner with political and civic leaders in the response and recovery?

- **Share ambitions.** One of the biggest parts of building meaningful connections with shareholders and communities is first understanding and sharing their ambitions. Your organization can bring innovation, creativity, and resources to community efforts to reinvent while rebuilding.
- **Racial equity and justice embedded.** Companies that have embraced the important, hard work of creating racial equity and inclusion with their organization will be more resilient in the face of so much disruption. We must create conversations within our companies that include diverse perspectives, acknowledge our history honestly, and talk about corporate social responsibility. To do this we must
  - **Realize the bar is high and resolve to exceed it.** Read about racism. Talk about racism. Commit to anti-racism. Get to work.
  - **Lead from the C Suite.** We expect investors to access your leadership strategy on racial justice and equity. That means you now need to get one step ahead of your investor demands. Don't leave this to IR or EHS — this work needs to be executive-driven, with full board support.
  - **Talk to your institutional investors.** Reach out to those private equity funds backed by Institutional Investors. They are sorting out these pressures too — which gives you the opportunity to work with them to craft an ESG strategy that will meet their needs as well as those our other stakeholders.

### **Where do we go from here?**

Ultimately, you will know you are a game-changing leader when your company is thriving among today's disruption, energized by the opening created for leadership. You will undoubtedly see your competitors in your rear-view, struggling to ride out the oil and gas markets as we know them today, trying to convince their investors that theirs will be the last company standing. While they struggle, you will be creating the energy future.

If you're interested in a deeper dive into all of this material, check out my latest book, [\*The Gamechanger's Playbook\*](#).