

# **RIGHT PILOT REPORT** The RIGHT Mongstad pilot project

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## 1.0 Introduction

Mongstad oil refinery is the largest refinery in Norway and has the second largest oil port in Europe. Nearly 3000 employees have their jobs associated with the refinery. The aim of this project has been to identify existing competencies in the companies and to measure this against future competence needs in order to raise awareness of good strategies for meeting the change towards the green shift. We have used a well-qualified company to test the skills and to make analyzes and final reports with the outcome of the project.

Sector/industry: oil and gas

#### Expected outcomes of learners:

Knowledge of a possible gap between existing and necessary skills in the face of the green shift in the oil / gas sector

#### Expected outcomes for SME's:

To be able to manage a better qualified restructuring process.

#### Essential criteria:

To get final analyses and reports with the outcome of the tests which can help the companies to meet the green shift in a qualified way.

# 2.0 Regional/ Strategic Context

The purpose of the pilot has been to map adaptability and motivation skills of employees and leaders in SMB companies in the oil and gas sector in the green transition process.

The analysis shows at a general level that the management will need to strengthen the adjustment and innovation competence in order to be able to better meet the requirements extremely and internally when adjusting to the green shift. In several of the companies, employees show clearer qualities and motivation in these areas than what the management team does in the same company.

This is the first pilot project with focus on mapping adaptability and motivation skills of employees and leaders in in the oil and gas sector in the green transition process.

Analyzing these factors will be just as important as deciding which green production areas the clusters will focus on. Competence will be a key factor in the green shift.





There will probably be a shortage of relevant competence in the future. High wage costs and lack of competence and motivation, insecurity and instability will be a major risk factor for the companies in the uncertain time they are in. Therefore, companies must ensure that they get the employees on the team by giving them competence development, security and trust.

# 3.0 About the Pilot

## 3.1 Description

The RIGHT Mongstad pilot projec has had an overall objective to map employees' awarness of, skills, willingness and possitility in the transition to the green shift from oil and gas production to greener forms of energy. To succeed with the green shift, one have to put a large focus on knowledge and competence development, employees' attitudes and will, in addition to choosing to develop and focus on specific, innovative renewable energy forms. Business owners and managers often know the formal competence of their employees, but more rarely their personal competence. Having knowledge of and interest in this might be particularly important in such a major restructuring process as the oil and gas sector goes through right now.

Over the past couple of years, Vestland county, the Nordhordland region and Alver municipality have been concerned with forming a solid knowledge base on the status of business development in the transition to a climate-friendly business community. This is particularly important for Nordhordland and Alver, as the The refinery is certainly the largest and most important industry workplace in the region.

In a regional plan for innovation and business development for Vestland, great emphasis is placed on regional coordination to stimulate green innovation,





entrepreneurship and sustainable growth for companies in the light of the UN's sustainability goals, as an important contribution to increased adaptability and a green shift in business. The green shift has already started in a law scale at some of the SMB's and larger companies, and large analysis and solid consideration. Last year's large analyzes and assessments of a total of 32 different green and blue renewable energy sources for the Mongstad cluster have so far resulted in five different focus areas: CCU, offshore wind, electrification, battery production and land-based aquaculture, but several focus areas may be relevant. The refinery has the best condition for investing in new and green production as it can offer large areas and infrastructure. A desire for this pilot has been to complement the existing knowledge base and scenario analyzes for the county, region, municipality and for the Mongstad cluster, Vestland, with it's focus on employees' willingness and skills to meet the green shift.

# 3.2 Methodology

A cluster of total of seven companies participated in the project. An invitation of mapping was sent to approx. 700 employees in these companies to answer InFlow24 personal mapping tool. InFlow24 is a pedagogical reflection and conversation tool that aims to promote self-insight and self-management in relation to one's own strengths and development opportunities.

Seven companies received a sufficient response rate to be involved in the analyzes. The response rate was 35% and that total sample was 198 people.





Several meetings have been held with all the participating companies. General manager with HR, administration and other leaders have attended these meetings. The aim was to map the need for the necessary competence for to reach the green shift, in addition to thoughts about innovation and willingness to change in advance of the analysis.

## 3.3 Stakeholders

This pilot is of interest for the companies and the cluster that has participated in the project, but it may also be of interest for other companies at the Mongstad oil and gas refinery, and for the oil and gas sector as well on it's process into the green shift. The pilot analysis results will be used in political plans for business and community planning in the municipality, and it might be of interest for planning for the region and county too. The pilot project will be able to complete the total knowledge base for the region's oil companies' transition to the green shift, since the knowledge part was missing in previous surveys and analyzes.

#### 3.4 Results/Outputs

The analysis report gives an indication of the culture and values at Mongstad in that it is highly valued that the employees are efficient, take responsibility, have a high ability to implement and show care for each other.





- There is a good job match between the employees 'competence and the companies' and the region's need for competence as of today.

- There is a good basis for developing the necessary competence (upskill) to reach the green shift.

- The analysis shows, however, that the companies' opportunity and ability to extract existing potential for competence, innovation and willingness to change requires an employee with a greater degree of participation, challenges, development opportunities and communication through clear management.

- The future management of the various phases of Talent Management, with emphasis on attracting, developing and retaining employees will require a greater degree of innovation from current HR and management.

# 3.5 Discussion of Findings

The analysis shows at a general level that the management will need to strengthen the adjustment and innovation competence in order to be able to better meet the requirements extremely and internally when adjusting to the green shift. In several of the companies, employees show clearer qualities and motivation in these areas than what the management team does in the same company.

However, most employees do not feel a great need for more competence as of today. The exception is especially younger employees aged 24-29 who require challenges and professional development. These often have a higher education than the elderly, who in this pilot essentially have upper secondary school at a practical level.





## 4.0 Conclusions

#### 4.1 - 4.3 Challenges, Opportunities and Recommendations

All the seven companies which participated in the first phase, have received the final analysis report and have got this presented in both an individual and a common meeting. They have also received a feedback form and been invited to do an interview about the project process (some of them). The challenge has been to let them continue the process on their own, use the report results and the possibility for development based on the analysis results. We don't know if they have done this or not, but several participants stated that they want to continue the process. However, we have not received the questionnaire in return nor received a response to the interview invitation. It can be the busy everyday life that catches them. An explanation might also be that it is easy to quite the development when nobody follow you any longer. Therefore, a phase 2 where one get the opportunity for developping based on the mapping results will be positive.

It was also a challenge to only could have digital meetings through the whole process.

The experiences of this pilot project might also be used sucessfully in similar transformation processes for industry in the green shift.





#### 5.0 Outputs for new strategy and policy for Skills education and SME innovation

The RIGHT Mongstad project Phase 1 has given us a very good overview of the adaptability among managers and employees. It will be important to utilize this knowledge base further in parallel with Mongstad's transition to specific focus areas on greener energy, and let competence development and product development go hand in hand. Alver municipality will try to arrange a pilot Phase 2 of the local project further on if we get the possibility. The follow-up pilot for the RIGHT Mongstad pilot project Phase 2 will consist of two sub-projects that will offer competence development for management teams and individual guidance with emphasis on awareness, adjustment and innovation.

The pilot project will be offered to two - three of the seven companies that participated in Phase 1 and consist of two subprojects.

#### Subproject 1

In subproject 1, the management teams will go through a deeper leadership development course based on the mapping and analyzis from Fase 1. The programme will put a focus on the ambivalent challenge leaders might face in the transition to the green shift by focusing on both exploitative and exploratory innovation strategies, called ambidextrous innovation.





O'Reilly, C. A. & Tushman, M. L. (2013). Organizational Ambidexterity: Past, Present and Future.

# Subproject 2

Subproject 2 will aim to provide individual guidance to employees (managers and employees) who have been through the mapping in Phase 1. Together with a supervisor from the Career Center in Vestland county, employees will have the opportunity to review individual guidance with goals of deeper awareness, understanding of change processes and career development in line with the workplace process towards a greener shift.

7.0 Acknowledgements	
[If needed)	
8.0 Annex	13
[If applicable]	











## 0.0 Guide for Partners Completing the Report.

#### Why?

It is necessary to report the results, findings, outcomes, and learnings of our pilots for project deliverables in a standard format. The template is set out in a way that tries to show the connectivity (green line) between the work packages, how pilots are linked to skills gaps and Smart Specialization Strategies. It also aims to show learnings and results of the pilot activity and how this can shape a discussion on policy outputs for work package 5. Each pilot report will act as a key input into Work package 5.

In addition to this, the pilot reports will provide the basis for communications activity for work package 2. Some or all of the pilot reports will be transferred into stories and presented at events and through media channels. The Communications Group will work with Work package 2 leader to agree a format for the story telling element in due course.

#### What?

Each partner to complete a pilot report for each pilot in line with the project deliverables. The overall target for readers is 500.

						Of these 4 were active and running in this reporting period. 20200518094report.xlsx
6 Pilot reports	Report / Strategy	Overall report per pilot in standarised RIGHT format. Target value will depend on which level we decide to report on - per SME or per sector or type or theme for example.	25	0	Not started	Not relevant for this reporting period.
Pilot reports (sub)	Number of Readers	These report will be disseminated through WP2. Some examples will be transformed into stories and presented at events and through media channels.	500	0	Not started	Not relevant in this reporting period

The target for readers is the same as the deliverable for Work package 5 combining both into one exercise is the intention of this report template.

		summary and implications for each participating region.				
Evaluation of project learnings - skills gap and pilots (sub)	Number of Readers	Target group will be project partners and external stakeholders, defined during WP2	500	0	Not started	Not Applicable for this reporting period
2 Dialogue with partners to aggregate findings and results	Exchange of Information Event (Internal)	Project partners will meet to discuss findings and results for analysis to be aggregated in WP5	1	0	Not started	Not Applicable for this reporting period
Dialogue with partners to	Number of participants	workshop for project partners.	30	0	Not started	Not Applicable for this reporting period





There is a degree of flexibility over the content of the report as outlined on page 1. It is designed to form an input into work package 5 but also to show the link to Work package 3 research, Smart Specialization Strategies as providing space for discussions on opportunities for sustainability, upscaling or knowledge transfer.

## Who?

The target groups defined in WP2 of the project are; project partners and external stakeholders. This will vary from pilot to pilot and from region to region who these Key people are.... You will need to think about this when completing the report and tailor it accordingly. The Work Package 5 policy theme matrix will help to determine the most appropriate stakeholders for your region and pilot. The key objective of the report is to demonstrate project results and outcomes, but another key objective is to tell the story of what we have done. The reports could also be used to validate research and learnings, input into policy discussions or as proof of concept for ongoing sustainability of the pilot.

Each beneficiary can decide who completes the pilot report in the same way as they did with the Work package 3 report. In most cases it will be the RIGHT research coordinator, but this may be done by partners if they are more suitably informed for the completion of the report.

# When? (31/10/21)

The original Target for completion of pilot reports was the end of Spring 2021, (30/05/2021). This was the original target as set out by the project. However, due to the Covid Pandemic most pilots were delayed and are not yet at a point to evaluate the outcome. After consultation with partners and Work package leaders we have decided that these can now be completed by **Autumn 2021 (31/10/21)** It may be the case that pilots are still ongoing at this point but we hope to have enough pilots completed and evaluated to provide the basis for WP5 activity. However, the pilot report template is ready to be used and for the partners that are ready to report are encouraged to do so.

#### How?

Each beneficiary will be responsible for the completion of the pilot report for their region. Each beneficiary can decide how and who does the report for each pilot. All pilot reports will be hosted on the RIGHT project website. Guidance can be provided by WP4 leaders on demand and where needed or WP2, WP5 where appropriate. As soon as we have a completed report available, we will share with you as an updated guide. This has not been possible to this point as pilots are still underway.

