

SPE dives into the gender diversity pool

By Maria Angela Capello*

Introduction

With the ever increasing global demand for energy, the oil and gas industry must improve and anticipate its talent management needs by considering the current workforce profile, in which female employees are the minority. Being a traditionally male-dominated industry, gender-diversity concepts only recently have found their way into corporate policies, executive managers' desks or into Board of Directors meetings. In many cases, the inclusion of women in leadership roles is far from being a reality for companies in the up- and down-stream sectors.

This article summarizes some of the results of the global scale efforts of the Society of Petroleum Engineering (SPE) towards the establishment of new paths to exchange lessons learned, and the creation of new networking opportunities for its female members. Up to now, the SPE is the only oil and gas professional society that consistently has promoted the empowerment and progress of its female members with dedicated activities since the late 80's, in a 30-year pioneering role.

More actions are certainly needed, but this SPE visionary effort must be shared and celebrated.

Gender-diversity in the oil industry

On July 5, 2011 the French lawyer Christine Lagarde was appointed Managing Director of the International Monetary Fund (its first female president). I remembered, as many surely did, her tip for investors: *"If there are no women at board level or executive committee level, forget it!"* During the "Women at the Top" conference organized by the Financial Times in 2010 (Hill, Corbett, & St. Rose, 2010), Lagarde's firm position on the importance of balanced Board of Directors raised a visible and high flag on a point rarely addressed in the oil and gas industry.

The lack of a representative female component in leadership positions is a fact not unique to our industry, as only 15 CEOs out of Fortune 500 companies in 2011 are women, or 3% worldwide. Furthermore, the percentage of women directors on the Boards of Directors of those 500 top companies is only 16%, and according to Bloomberg Rankings, the oil and gas sector has the lowest percentage of women directors, at 9.6 % (Stonington, 2011). The journey that progresses up the executive ladder is a complicated one if you are a woman, and even more so if you are a woman in the oil industry.

(*) Kuwait Oil Company, a company of Kuwait Petroleum Corporation. This article only contains the ideas and perspective of the author, and does not reflect in any form the position of her employer, Kuwait Oil Company.

While the SPE does not have accurate gender information for its overall membership, a recent SPE survey that appeared to be representative of the overall membership found that the current female percentage of the oil industry workforce is approximately double the percentage than the cohorts older than 40-years of age (Sprunt & and Howes, SPE-151971-MS Dual Career Couple Survey results, Sep 2011). In the last 5 years, the female workers at companies have increased: at National Oil Companies (NOCs), female ratios rose in 2011 to 27% from 19% in 2006 (geosciences), and to 17% from 15% (petroleum engineering) (Rostand & Soupa, 2011)

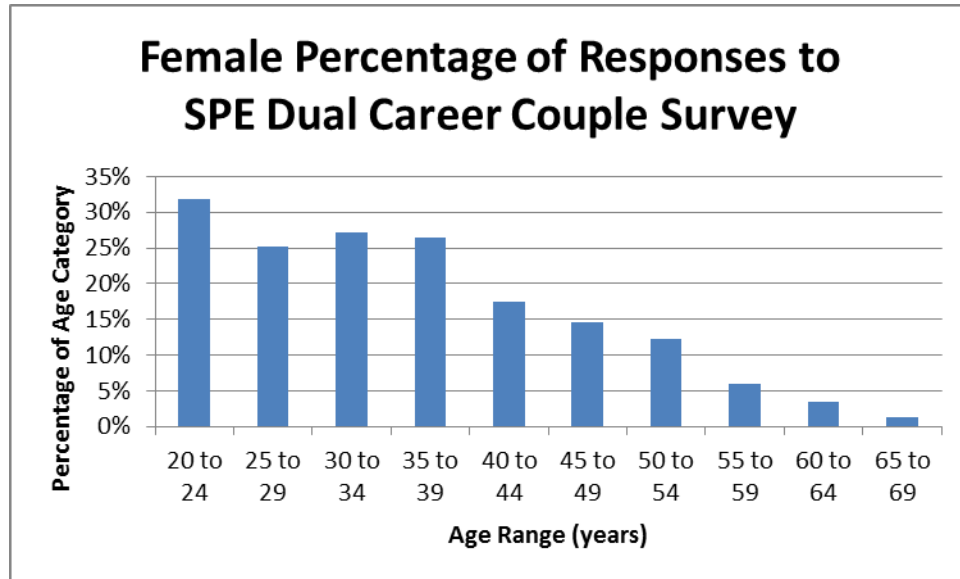


Fig 2. *The younger component of the female workforce is twice more important in percentage than the cohorts older than 40-years of age (Sprunt & and Howes, SPE-151971-MS Dual Career Couple Survey results, Sep 2011), from the SPE Talent Council "Dual Career Couple Survey".*

The key is then not what elements women bring to the Boards, to the leadership, to the everyday work to achieve any positive outcomes, but what their absence implies for a company, a country, or a region of the world.

What would be needed is not necessarily a 50% representation of women, but a percentage that indeed reflects the workforce gender distribution, for the many advantages that the female experience and perspective would bring to the table.

Different approaches have been taken to implement, establish or even accelerate raising the female percentages in the Oil and Gas industry workforce in the recent years. From quotas to simply guidelines, these days the topic of enforcing or promoting the progress of women within the corporate ranks, as well as the increment of their percentages in the total workforce, starts to pick up relevance.

Nevertheless, maternity, dual careers couples, special training and flexible time at work are topics still difficult to address and solve in many companies. It is recognized that when approaching the most productive decades of age at work ladders, during their 30s and 40s,

many women are also having their children, as maternity leave is now generally postponed to allow for the launching of successful careers. The pursuit of managerial and top roles requires a full time dedication, which many times is impossible when juggling work and family in the pregnancy and delivery period, and during the early years of children upbringing, forcing women to an disadvantageous situation when competing with their male counterparts for corporate promotions. It is clear then that a change of attitude and an enhancement of corporate policies towards the women's needs in the oil industry are required. The current policies and government laws applied for the women's essential biological condition of mothers are not yet sufficient for ensuring an equality condition for their effective professional growth.

The 2012 World Development Report on Gender Equality and Development, published online by The World Bank states that the relationship between income and gender equality are positively correlated, with a very interesting graph of GDP per capita vs. the Index of Economic Participation and Opportunity, which measures male-female differences in work force key indicators. This measurement provides a basis for the empiric assumption that economic growth is also dependent on gender equality, but this comparison is not feasible nor achievable across countries and may lead to wrong conclusions without the support of more careful and detailed microeconomic analysis, yet to be conducted (Bank, 2012).

In my opinion, the most crucial efforts for energizing the oil industry-related female workforce should be addressed – regardless of the region or culture - to the young female students, as early as in the high school years, to attract them to engineering careers, and to instill in them the systematic concepts of leadership, self-esteem, collaboration, teamwork and public presentations, all these skills recognized as major qualities needed to promote already exceptional engineers to high ranks in the corporate world.

I am convinced that future activities of SPE will have to include a more massive and multilingual utilization of distance-networking, to share animated/interactive training, webinars, and podcasts aimed to attract the new generations' communication styles and abilities.

Some facts

- The energy industry is one of the industries with less than 25% female representation. (Sawaryn S. , Farley, Gay, & Banks, 2007)
- Women still face more challenges than most men when it comes to (Etaugh & Bridges, 2010):
 - Pay raises
 - Promotions
 - Career growth
 - Work stability and satisfaction
- Companies are not yet effectively attracting, and then enhancing, empowering and retaining their female workforce. By doing so, they are unwillingly impoverishing its overall performance, precluding a thriving environment for all workers.

- The consideration of diversity topics in the oil industry is still considered a “women” topic in many regions.
- Legal frameworks that enhance women’s participation in boards of directors are scarce or non-existent. Norway, among very few countries, was the first one to introduce board gender quotas in 2005 (Deloitte, 2011).
- Only very few companies engage in an open discussion about guidelines and best practices, which may be translated in effective corporate policies to enhance recruitment, selection and retention policies to enable a more gender-balanced workforce profile.
- The very common fact of dual careers in the oil industry, is generally still considered a “women’s issue” (Chadud, Teraldi, Howes, & Sprunt, 2007), although in the oil industry, up to 30% of the workforce are couples joined in dual careers.
- Responses to the May 2011 SPE Dual Career Couple survey indicate, participation in SPE of young women (20-24 years of age) is growing and currently is about 32%, up from only a few percent for those 60 and older. While SPE membership is not necessarily representative of oil industry demographics as whole, trends in SPE membership are indicative of what is occurring overall. (Sprunt & Howes, Results of dual career couple survey, 2011)
- There are high levels of attrition in the female oil industry workforce. Especially in their 30-40 years of age time span, generally associated with maternity.
- 68% of men in dual careers report they consider their career more important than their partner vs. less than a third of women in the academic sector (StanfordUniversity, 2008). The professionals in dual careers present in academia are very similar to the ones in the oil industry.

To counter fight certain of these realities, a few large IOCs and Service Companies are enforcing their female workers recruitment, with the goal of meeting adequate and representative targets of female leadership in their ranks.

Very interesting initiatives are taking place in societies and work environments considered very conservatives, such as those in the Middle East. In this region, one of the most remarkable initiatives is the Arzanah, the women’s facility at the Petroleum Institute of Abu Dhabi, UAE: a strategic government decision, to recruit female students to increase the numbers of undergraduate students in the oil-careers related studies. The first cohort of females started their studies in 2006 (Lau, Lau, & Al Hassani, 2009). Arzanah has shown how a change in the governmental guidelines may impact the receptiveness for female oil workers, even in the most traditionalists of settings.

The Middle East’s oil industry’s women’s participation was highlighted by Dr. Eve Sprunt, 2006 SPE President, who mentioned that in her visits to more than 20 countries, she noticed that women’s participation in the oil industry was breaking paradigms, especially in traditional areas *“My impression was that there are more female technical professionals in Kuwait Oil Company, and more women in important leadership positions, than there were at Mobil when I started there in the late 1970s”* (Sprunt, 2007)

So, even if the facts may present a complex scenario for improving the workforce to enhance gender-diversity, there is important progress in unexpected places, providing a fresh and optimistic perspective into this matter.

SPE action

Recognizing the special challenges faced by women, and the overall need of the oil industry to enhance and expand its workforce, the SPE has promoted the role of women in the oil industry with many activities through its history, most particularly in the last 20 years.

Relevant activities created or addressing the oil industry professional women:

- Articles on the topic, published on JPT and other SPE periodicals
- Establishment of Women Networks
- Events dedicated to the Women in the Oil industry (Workshops and Conferences)
- Initiatives for gender-diversity within several SPE Councils (YP and Talent Councils in particular)
- Women Task Force Team
- Surveys to assess specific matters (Dual careers, salary)

Faithful to its own vision of promoting gender diversity, SPE has had 16 women in its Board of Directors, starting only in 1992, and 3 women Presidents (1998, DeAnn Craig; 2004, Kate Baker; and in 2006, Eve Sprunt), in what represents a 5.6% of leadership participation of women. Good numbers to show commitment, but that are not representative of the SPE's female membership, estimated at 30%.

In other very interesting facet, the SPE:

- Launched the **Talent Council** in 2007, charged to provide a forum where the oil and gas industry can share information, stimulate ideas, and coordinate initiatives aimed at improving the quantity and quality of talent available to the industry. One of the main objectives of this Council is to be a focal point for gender and nationality diversity in the industry.
- Initiated in 2010, a "**Task Force on the Role of Women in the Petroleum Industry**". Also, a network for SPE women members is available on the web, along with an E-Mentoring program for young women engineers.
- Launched several surveys in relation to issues affecting or influencing gender-related recruitment, motivation and retention in the oil industry, most importantly and recently, the Salary and Dual Careers surveys (2010 and 2011 respectively).

As result of all these SPE combined efforts; a shared understanding is slowly taking shape: the promotion of women within the corporate world is hampered by a variety of factors, including the very scarce availability of high-end role models and the absence of adequate corporate policies.

The specific actions of SPE as a professional society have been then primarily focused on two fronts: facilitating networking opportunities and collect data about the issues faced by the women in the oil industry.

Notably, the workshops have been one of the most successful and fruitful initiatives applied by SPE for the promotion of women. They allow the direct contact of women engineers with role models and among them, establishing meaningful relations and facilitating opportunities to share the lessons learned.

The SPE workshops focused on gender-diversity have been held in developed countries, with a defined diversity legal frame like the USA, France or the United Kingdom, as well as in countries where the lack of legal frames and corporate policies do not help or sustain an agile promotion of women to leadership positions, like some countries in the Middle East.

These facts perhaps evidences a drive coming from the women engineers in those places (Middle East) to counter shift their current situation, with conscious and numerous efforts. In many cases, these workshops have accelerated their own understanding and acceptance of the path needed for their professional improvement, extracting their own observations and benchmarks from these exchanges, observing what other companies and countries do for their female colleagues around the world.

I had the wonderful opportunity of reviewing the conclusions and proceedings of many of these SPE events, and I realized that the participants are eager to share their difficulties, and this sharing in itself is a positive step forward. The outreach and influence goes beyond the expectations, as the industry is now slowly awakening to a need that before was a silent recognition, now discussed in the open.

Profile of the events:

- Generally, the gatherings are 1-day workshops or social events, attended by about 50 – 80 women, peaking 120, with some men (10 -15) also present.
- The format involves the speeches of relevant high-executive women or recognized successful petroleum engineers from the local oil industry, in a Panel format or as solo key-note speakers. They discuss a specific topic pre-chosen as per the audience interest, or just tell the participants about their own success stories, including their challenges.
- An open Q&A session follows in all cases, which in many occasions is handled as a workshop, with sub-teams discussions on specific questions or topics to be developed. This is considered the most fruitful aspect of the gatherings by the participants.
- Town-hall format is frequently used to share conclusions at the end
- Enough time is provided at the beginning for introductions, and generally a dinner or a lunch is included, to allow for more informal contacts among the participants.
- The participants take away a personal learning experience, from their direct contact with role-model, high-profile women, which have shared their successful journeys and provided their own perspective on how to progress in the technical and managerial ladders. The common feedback comments relate that the participants go back to their routines envisioning that professional growth is feasible and generally, they start to create and internalized a more self-empowered vision of their possibilities at work.

List of selected events about women organized and promoted by the SPE:

- **SPE Annual Technical Conference and Exhibition** - Women in Industry panel sessions – held every two years starting in the late 1980's and every year during 2005-2008. In 2009 the topic was switched to Dual Career couples. A Women In Industry panel was not scheduled in 2010.
- SPE Cultural & Diversity Roundtable 27 September 1995, ATCE SPE Annual Technical Conference and Exhibition, **New Orleans, USA**
- SPE Applied Technology Workshop: “Women in Engineering, Science and Technology” - 9-10 March 2007 - **Manama, Bahrain**
- SPE Applied Technology Workshop: “Women Professionals in the Energy Sector: How to Weave Science & Technology in a Matrix of Defined Cultural & Social Roles” - 2 November 2008 - **Abu Dhabi UAE**
- SPE A Women's Workshop – Middle East Oil Show (MEOS) – “Equal Opportunities in a Collaborative Workplace: Let's Make It A Reality” -15 March 2009 - **Manama, Bahrain**
- SPE Diversity Workshop - 28 October 2009 **Paris, France**
- IPTC 2009 Young Professionals Workshop Session – “Women or Men...Are the Challenges the Same?” – Dec. 7-9, 2009, **Doha, Qatar**
- SPE ADIPEC Session – “Diversity Challenges - Role of Women in Engineering” – Nov. 1-4, 2010 - **Abu Dhabi UAE**
- SPE ATW “Unleashing the potential of the workforce: closing the gender and age gap” SPE Women's Workshop, January 31st, 2011 - **Abu Dhabi, UAE**
- SPE – SPE Aberdeen's Another Perspective Committee and Energy Institute “Unleashing the Potential in Your Career” - March 2, 2011 – **Aberdeen, UK**
- SPE “Good Wine, Great Conversations: A Women's Social” - April 13, 2011 – **Houston, USA**
- SPE “Women in The Energy Sector Seminar” - May 19, 2011 – **London, UK** (fifth annual)
- SPE ATW “Talent and Retention Workshop; Unlocking Talent Potential in the Region: Building Your Future by Collaboration and Knowledge Transfer” - September 25, 2011 **Manama, Kingdom of Bahrain**

Future events:

- SPE Conference for Women - Fall 2011, **The Netherlands**
- SPE Conference on “Empowering Women Leadership in Engineering”, October 2012 in **Kuwait City, Kuwait.**

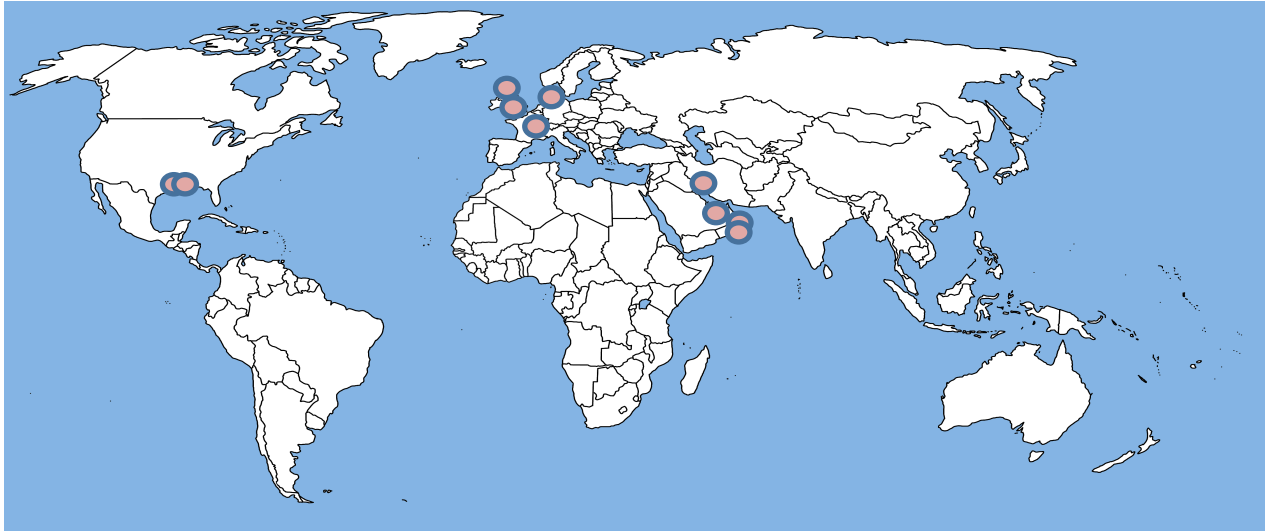


Fig 2. The SPE events focused on Women have taken place in several regions. For more than 20 years, the SPE is the only professional society in the oil industry that has promoted the technical network, progress and leadership of its female membership with dedicated activities and events.

Future trends and challenges: the need of a shared vision

Effective strategies to enhance and retain the female component of the workforce in the oil industry are needed for the very sustainability of the oil industry, given the workforce shortage envisioned in the coming years.

Several large companies from the IOC, NOC and service companies sectors have recognized the gap in the gender-based diversity of their workforce and have established some explicit guidelines to enhance their individual situation in this matter, especially in the 5 last years, with mixed results, as the solutions are complex and many factors are involved.

The establishment of genuine gender-based diversity policies will require dedicated efforts aimed to appeal women engineers to join and especially to advance in successful career opportunities in the oil industry all over the World. These efforts need to address the main challenges for professional women in the industry, with a global approach, but with regional solutions, as issues vary from place to place. Answers like flexible work schemes, provisions for maternity leaves, schemes for dual careers support, and special female-focused leadership training strategies are required today, to achieve the goal of increment recruitment and retention; and to reduce female attrition numbers in the oil industry.

The SPE is progressively expanding its action for gender diversity, and starting to establish liaisons with its sister societies related to the oil industry to collectively engage in addressing these essential matters.

The professional Societies will be the natural fora to discuss these topics. They are naturally called to identify, establish and guide successful best practices and policies to empower and enhance the women's role in the oil industry. Solutions are overdue.

The Author

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List of selected articles published by SPE about gender-related diversity topics:

- **SPE 86756-MS** Performance Leadership Coaching-The Next Step
- **SPE 86819-MS** Conflict or Consensus: Stakeholder Relations in the Energy Industry
- **SPE 90701-MS** Business Ethics, Corporate Social Responsibility, and Firm Value in the Oil and Gas Industry
- **SPE 110686-MS** Where Will the Next Generation of Petroleum Engineers Come From? Disturbing Observations From A Texas Oil Town
- **SPE 110051** Managing a Dual Career While Working in the Oil and Gas Industry: A Critical Element in Attracting and Retaining Talent
- **SPE 108594** You Can't Get the Staff These Days!
- **SPE 110594** Beyond Money, What Is Important to Petroleum Professionals?
- **SPE 108477** Well, It's Good to Be an Engineer
- **SPE 114785 - MS** Developing Russia's Young Petroleum Professionals in a Global Context
- **SPE 112102 - MS** Winning the War for Talent
- **SPE 119204** Awareness and Expectation - Gender in the Workplace
- **SPE 151971 – MS** Dual Career Couple Survey results