

# The E&P Industrial Evolution—Failing Forward

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On any given day, the exploration and production (E&P) business is fraught with myriad challenges. To address these challenges properly, they generally need to be framed technically. Unfortunately, there are gray areas in life that do not lend themselves to a technical solution, so we may have disappointing results. Therefore, I propose the alternative principle of *failing forward* (known by its technical term as *continuous improvement*), a principle which defies the silos of pure success and failure. Failing forward is ensuring the experience of failing is not distorted into a picture of who we are, but forms an important part of discovery, wherein we learn not to hide from errors but instead to embrace them as opportunities to learn.

When we optimize our operations, two factors are untouchable: risk management and calculation of insurance coverage in case of failure. Our E&P careers ask us to execute risky projects while working hard to eliminate risk with contingency alternatives. It sounds contradictory, but it is the way we have trained our industry mind to work and we do it every day. The key is to manage expectations while knowing where you can have some operational leeway. For example, on a drilling operation, all our capital equipment works in series with low utilization and has many spares to cover an undefined wide spectrum of risk, while service personnel stand by, getting paid to judge the right time to intervene in the process.

In my opinion, we really don't have a continuous improvement culture, and, as many of you know, rigs are filled with people trying to avoid failure or "manage the fire" without asking how it started. If you managed the fire with no one getting hurt and operations not impacted too adversely, then you have succeeded.

This principle holds true in our interpersonal career experiences as well. Success is based on not being wrong—or on its unmentionable cousin, not getting caught being wrong. However, personal growth that results from working through high-risk situations becomes very survival-based, predicated on avoiding risks or covering up rather than walking away knowing more and worrying less. When we finally realize failures can actually be stepping stones to our own success, our original thinking is turned on its head. Gone is all the effort expended covering up and avoiding risk, and instead we have a renewed perspective on success and failure. I believe you can never really avoid risk, but you can empower yourself in the face of risk by leaning into it—failing forward—committed to discovering better and safer ways to get the job done.

I often refer to my career as a continuous attempt to get fired. I distinctly recall one observation from my first oilfield experience with an operating company where the code of conduct was clearly to *try not to get*

*fired*. As I progressed in my career, I quickly incorporated that *try-not-to-get-fired* attitude into a complete career mentality. It eventually took some good senior management coaches in the Varco International organization who told me, "You don't owe this company anything! Any corporation will find a way to get value from you, but you're already going out of your way to prove your value every day." What a world of difference from the "you owe us" mentality of before! This concept—that my employment had a symbiotic relationship—freed me from the drudgery of a fear-based culture. If I were to get fired, it was because I did not fit the organization, not because I did not have value.

Early in my career I began questioning the norm and began developing a perspective on how things should be done. However, had it not been for the support of strong mentors, I would have been left by the side of the road. This is where I discovered some important guidelines on how to position yourself for success arising from failures. When placed in your current job, two views aligned for a moment in time: your view of what the new opportunity might lead to, and your employer's view of what you could add to the position. Hopefully somewhere in that moment, both parties envisioned an "overachieve" version of your role, but as you progress, those visions may not align. The reality of personal

growth, in my opinion, is that you are not the best judge of your strengths and weaknesses. I believe that your manager, someone higher up, or someone further along is the best source for direction. In my experience, many books often play down these influential people, not mentioning teachers or parents as much as they may deserve. This appears to me to be a normal human response to owning your decisions, just as being a good leader, manager, or mentor means being invisible to your story. However, I believe we can underestimate and underutilize the people who can help us through the hardest stages of learning. Your ideas and vision of what could be can be diluted by what happens when you miss the mark. You can believe there is a pattern, as if failing were a style—or worse, overlook it as someone or something else's fault. What we need is the intervention and help of key characters in your story.

### Mentors

You can select key mentors to aid in your personal development by identifying people whose characteristics you would like to possess yourself. This is best when such a person is your boss, but if that cannot happen, I suggest seeking out and cultivating a two-way mentoring relationship somewhere. I say "two-way" because your part as a learner/listener is critical to your success. It is critical that you lay down your "one-person-saves-the-Earth" plan and realize that your most productive day cannot even come close to one "reproductive" day. In other words, if you have an idea, then, like a seed, it needs to be planted and grow, perhaps weathering some rough storms along the way, so ultimately your valuable idea can "reproduce," blossoming into a fruitful result. As you become experienced, your role is to take your experience and have it not only bring value for many, but effectively produce value within others. But none of this is possible if you are not teachable because you cannot be a successful teacher (leader) if you cannot be taught.

### Alignment

So if what I propose is true, and we have a better career opportunity if we

learn to grow from others, what about the people we do not want to align with? Those who have selfish or political motives, or those willing to give only the minimum required, can certainly present roadblocks. On the one hand, a lazy or political boss cannot teach you much of value, but in most cases he or she will let you take on risk personally, and will likely take glory for your success or give blame for your failure. The key here is to not underestimate the ability of senior management to see through a sudden performance spike. One of my favorite leaders of the day is National Oilwell Varco's chief executive officer, Pete Miller, whose mantra is: "All you need to do is work on three areas: Be accountable, have integrity, and have fun." In that mix, find those with similar attributes and ask to spend time with them on a regular basis.

### Conclusion

If you have a network of coaches and mentors, and you learn to listen, you can take what you do for a living and make it a fun exercise in value creation. As the results come, you can look back on your errors like I have in my career—as valuable lessons that lead to progress. When a baby begins to grow, it attempts to walk, and as it fails and falls, the ultimate goal of learning to walk is not lost. It learns even faster when those around it encourage and help it to get back up again. No one would consider the baby a failure for falling, and in your own path, neither should anyone say that about you. Fail early and be willing to learn from your network. Take every opportunity you are given, stand up when you miss the mark, and learn from it. Above all, have fun! **TWA**

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## My Top Five Defining Failures

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Successful introduction of new technology in an old culture is not changing culture.

*Lesson—My success may not be the company's success.*

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Trying to advance myself cost me my integrity.

*Lesson—Advancement of others is part of true advancement.*

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After sharing your ideas at high levels, you see those ideas quickly become theirs.

*Lesson—When leaders own your ideas, this can be how great change occurs. Enjoy the rewards of making things better more than recognition.*

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Rapid prototype blowout preventer ram-changer, with six-month delivery to Offshore Technology Conference. Total sold=0.

*Lesson—You have to know your value case.*

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First integrated drilling rig design and sale made no profit in a downturn.

*Lesson—Popularity can be the price of doing what it takes to grow.*