

The Workforce is Changing: How Can Operators Adapt?

Strategies for Navigating Today's Complex Labor Landscape

Panelists:

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Libby Andrews-Simmons, HR Manager, INEOS

Justin Pittman, Operations Transformation Manager, INVISTA

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Sachin Agrawal:

Hello, and welcome to our round table “The Energy Workforce is Changing: How Can Operators Adapt?” My name is Sachin Agrawal and I have the great fortune of working for a company whose mission is to fundamentally improve the process of scheduling shift workers in complex 24/7 industries. We understand the critical role work schedules play in business operations, as well as the lives of employees, and one of the best ways to learn new strategies for solving challenges is to build community and share insights. And to that end, we've invited a panel of experts within the energy sector to discuss trends and challenges in employee scheduling today, I'll let the panelists introduce themselves and I'll hand over to James first.

James Preston:

Hey, Good morning. Thank you for having me. My name is James Preston. I work for Shell. I've been with Shell for 24 years. I've been in the industry for about 27 years. I'm a labor relations specialist for Shell managing our labor relations sites on the Gulf Coast in Louisiana, as well as our pipeline assets in the Gulf of Mexico. I've been involved with the management and scheduling of our hourly employees and shift workers and working with you and [Shiftboard] since 2012.

Sachin Agrawal:

And Libby next.

Libby Andrews-Simmons:

Good morning, everyone. I am Libby Andrew Simmons. I'm the HR manager for INEOS Chocolate Bayou facility. INEOS is a global petrochemical company. I have been at our Chocolate Bayou location for 16 years, with the company 22 years, and a little bit longer in the human resources field. At our Chocolate Bayou facility, we have about 600 employees. We're located southeast of the Houston area. I'm looking forward to our discussion today.

Sachin Agrawal:

And Justin.

Justin Pittman:

Hey Sachin, I'm Justin Pitman. I'm with INVISTA out of Orange, Texas. INVISTA is a part of the greater Koch facility, or the Koch Industries team. I am the operations transformation manager for Orange, in other industries known as the production manager. I've been in operations for the duration of my career, the 10 years that I've been there. I've played a major role in helping the shifts schedule overtime. About a year and a half ago, we partnered with Shiftboard to change our previous landscape of the stone age of operations scheduling. So, looking forward to the discussion today.

Sachin Agrawal:

I want to thank you all again for taking the time to join us here today. I'm really excited for this discussion. So, to get right to it. Let's dive in and start the discussion. I'm going to start with Libby here, to get us rolling.

Sachin Agrawal:

The topic for today is how the energy workforce is changing. I think there's lots of reasons we see that in the industry today. I think for a while the demographic changes in the industry have been quite well known. Everyone talks about how the labor force is changing with boomers retiring, and the younger generations coming in and taking their place. However, I think the changes in the economic environment have also been quite important as well. I was reading in the news, the labor department put out a stat that the jobless rate in the oil and gas sector is less than 1%. Historical lows for your sector. I know that is changing the way the energy sector and oil and

gas sector operators need to work and deal with their workforces. What trends are you seeing with employee expectations and around employment, and what are you doing in your organization to shift to meet those expectations?

Libby Andrews-Simmons:

So, obviously, Covid has had a huge impact on some of the statistics. Even pre-Covid, we were already starting to see a shift in the market with the traditional baby boomer generation moving into retirement, and even perhaps some Gen X individuals on the higher end, starting to look at retirement. And so, that was something we would be dealing with even without Covid. But since Covid, I have noted in terms of demands and expectations from workers, we had previously spent a lot of time focusing on scheduling and making things work well for hourly employees. Once we moved into a Covid period with manufacturing, we still had to figure out how to work through that.

Libby Andrews-Simmons:

Obviously, dealing with just some of the safety and restraints of government mandates around essential workers initially during Covid, we had to be very, very careful about coming up quickly with some ways to address that. And certainly, since we've seen so many employees have a need to work remotely, the whole shift in the technology has changed and now that employees have had a chance to perhaps be home a bit more and think about, well, you know, "how do I see my career? What do I see in my future?" And, so there has been, I think, a huge shift for both employees and employers on just how companies can be flexible and responsive to employee needs.

Libby Andrews-Simmons:

Traditionally, there's always been this demand for, "Well, if I want to work for a great company, I really have to think about what do I give up as an employee?" And there has been a very decisive shift, with [corporate] workers or individuals who may not necessarily actually touch the manufacturing equipment but still play a vital role in running our organizations. We've had to, as an industry, quickly start to shift to those demands and needs from those employees around a desire to continue working remotely. And again, for the organization just to be a bit more mindful and thoughtful of how we manage employee expectations along with running businesses.

Sachin Agrawal:

You mentioned this idea of flexibility as one of the demands. We hear that as well in our work with many different organizations. Can you talk about if this is something that's coming from the newer generation, or is this across the workforce? And, as an operational facility, what options do you have to provide flexibility to your workers?

Libby Andrews-Simmons:

Well, being at a manufacturing plant, as you might imagine, that's pretty challenging. Even during the onslaught of Covid, we were in the middle or about to begin a major maintenance turnaround. We were still having a need to try to figure out how to keep people safe and keep our work going as well. But, coming through Covid in the last year or so, we have had a lot of requests and interest [for remote work] "I was able to work from home for several months at a time, why can't I continue to do that?" And so, we have had quite a bit of conversation around how we incorporate some of that interest and demand and also make it work in a way that's equitable, productive, and that we don't lose any reliability or productivity.

Libby Andrews-Simmons:

I think for us, the first thing is to make sure we are hearing employees around, "Hey, I've raised a concern." I mean, for most employees, that's the first thing they want: to know that they've been heard. If we can do anything to be more flexible or if we are not able to do it, I think it's all about the communication and having that dialogue

around, in some areas we may be able to look at something. Certainly, the closer you are to a process area or actually running equipment, the more difficult that would be. Most importantly, we need to be open to hearing those concerns. As we come up with strategies, making sure that we are looking at the pros, the cons, the trade-offs, how that impacts the business when people aren't available or are actually on-site, obviously trying to leverage technology just like we're doing with this meeting [on Zoom]. We must be mindful of what else can we do [outside of geographic flexibility].

Libby Andrews-Simmons:

For me, it's no longer just a proposition of "Well, you work in manufacturing, so there aren't any options." I think [during Covid] we've proven that we can run our businesses and do it well. But again, I think for the long-term, we have to think about "Are we making good decisions?" And certainly, we don't want to over-compensate and have a situation where you end up having to retract. I think we've seen that a bit already in the industry where companies have said, "Oh, no, you work from home as long as you want." And then, you know, a few months later, they're changing their view on that. So that can be problematic as well. But for us, the most important strategy is to have the open communication and, again, to be open about how we could possibly make it work.

Sachin Agrawal:

I think that's really fascinating, thinking about technology and how that plays to the different type of workers you have in your facility. The folks that are closer to the machinery, obviously you're limited in some of the flexibility. And those trade-offs I think are probably critical for you, as you think about how you deploy these workers, if you are limited with some of these individuals. What other discussions are you then having with these workers to make them think differently about their role? To have them think bigger about what they need from their job?

Libby Andrews-Simmons:

Well, some of it may be development, some of it may be restructuring assignments, maybe being a bit more flexible about timing on some projects. We've found even the conversation has moved into other types of flexibility, not just around necessarily the job location but around enhancement of parental leave, enhancement of other types of leave. In terms of just when employees need to be out, what are we doing to try to make that accessible for them? We've even looked at some changes in moving from funeral leave to bereavement leave in this time of Covid. The whole funeral leave concept has changed quite a bit. And so, again, it's really about the flexibility and being responsive and continuing to have dialogue with employees at all levels and demographics in the company around what their needs are.

Sachin Agrawal:

That's excellent. What I'm hearing is that there is no one size fits all. It really has to be personalized, to each employee almost. Let's open the floor up to James and Justin. What other changes and expectations have you seen in your organizations?

James Preston:

Yeah, what I hear Libby say really resonates with me. It's not just a function of Covid. You've seen a shift in what I would describe as the priorities of the workforce. And those priority shifts really shift around what I would describe as your total benefits package and the importance of what we've always talked about in terms of work-life balance. The scheduling flexibility is one thing, but the benefits that you provide that offer some of that additional flexibility, like the parental leave, for instance, has become an important employee value proposition for Shell as well. We are also dealing with what Libby described with an integrated workforce. So, you have people that have different essential job functions, and to be quite clear, you have some jobs that require people to be on-site and perform their job functions on-site at all times.

James Preston:

Whereas you're able to create more of what I would describe as a hybrid working model for other individuals. It's still important that we have them at the plants from time to time but we're able to build in a bit more flexibility for them. And then the challenge becomes for your workforce that's actually required to be on-site and perform their essential job functions on-site. How do you create that flexibility for them? How do you make them feel like they're heard, that you understand their issues, and that you are respecting those issues and addressing them even where you can't give them some of the essential flexibility that they want? Some jobs can't be done from home, so where they can't be done from home, how are you recognizing and accommodating the needs that they have? And some of the benefits that Libby talked about, I think, are fairly consistent across industry and are certainly things that Shell does as well.

Justin Pittman:

Yeah, those were things that we had to do as well, and I'm sure it was broad across the industry to eliminate or reduce the face-to-face contact from Covid. So, changes to schedules, changes to work environments for non-essential employees working from home, working in more of a virtual environment. That's a big piece of it. The comment around tailoring that back as things started to open up a little bit more, I think that's true. What you lose is that close work environment, you lose that face-to-face contact from essential and non-essential employees and with mainly leaders across the site. I think there's an important element of that, of leaders being on-site and being with their teams. There's a give-and-take both ways. We definitely saw a lot of flexibility with Covid, obviously for many reasons. We've tailored that back just a little bit, I would say broadly across the industry.

James Preston:

You know, Sachin, the other thing is as I listen to Justin talk, it brings up another good point that, that Libby made around the importance of communication. What I hear Justin describe, the lack of face-to face time makes communication more difficult, particularly in an environment where you've been accustomed to close-knit relationships. You have people that work in an environment on a rotating shift basis where they view those shifts, kind of like family, and it almost feels like you're separating that family and breaking it up. The additional challenge that you have, and that we've had to address, is how do you maintain that relationship of trust between supervisors and employees on communicating those changes that you've had to make, how you're making the accommodations, how you continue to see that communication work the way it used to work when you don't have that face-to-face contact. That's become critically important. The quality of the communication and how you're equipping your frontline leaders to provide that communication will become even more critical as we've seen these shifts in the workforce.

Sachin Agrawal:

So, when you say you're equipping that frontline workforce, maybe you can give me some examples of tools that have been critical for your organization.

James Preston:

Well, some of what you've seen, at least for us, is the use of technology. We've added technological tools and capabilities. Justin talked about the workforce needing to change, even in the physical location, to have less contact between people. So, tools like iPads to be able to do rounds, people being able to check schedules from home, for instance. The ability to look at your tool and understand where the scheduling challenges are, look at where they can be challenged so that you're not having people physically have to come into the plant to understand schedule changes, for instance.

Sachin Agrawal:

That's fantastic. On that topic of what you can do, Justin, really interested in your perspective. As Libby sort of said, you know, for those folks who are close to the operations, essential job functions, obviously you're limited. You can't do those jobs from home. But really trying to understand as this was happening in your world, where you're on the ground making sure your plant's running 24/7, and dealing with all those changes – What were the key concerns you have, as you think about the changing workforce, and what were some of the things that you had to do as an operational leader?

Justin Pittman:

The role of supervisor is critical in the industry today, especially whenever you affect the broader organization. The folks closest to the work, the expectations around how we do the job, how the job gets done. Those critical work tasks and ensuring those things get done properly, without oversight of additional leadership on-site, I think those are important. But also, the stuff that's going on outside of work, that's a big piece of it as well and the role of a supervisor plays a huge part in that. Libby and James both mentioned it, but throughout all of that, all of the lives that are affected on a day-to-day basis, making sure, you know, folks heads are in the game. And to me, the role of a supervisor isn't just to build a good relationship with that person, but it's also to help that individual with their career. That's going to be critical going forward as well.

Sachin Agrawal:

I think you bring up some really interesting points there. First just to kind of explore that “they have to have their head in the game,” with this changing world and all the stressors that have come with Covid, what are some of the concerns and some of the things that you've had to think about? Are there safety or reliability impacts with the sort of demanding change of hybrid work, for example? Or, I think Libby also mentioned there's some trade-offs that you as an organization are making. From an operations perspective, what are some of the key trade-offs that you're thinking about when it comes to pleasing your employees versus running operations?

Justin Pittman:

I definitely wouldn't say seeing any reliability or any impacts there. I would just say that the way you govern those interactions or those tasks, the way that those governance processes take place are going to be key. Making sure that going forward, having a robust governance process, and ensuring you've got good oversight.

Sachin Agrawal:

And then the second point you mentioned was having supervisors really think about each employee's career. I think that's a really interesting question to dive into, because [employee retention is] one of the other areas that we hear a lot about, especially when the jobless rate is so low. So, what I hear is that there's lots of open positions [but most of the workforce is employed], so I think retention is likely a key concern. In your view, from an operational perspective, does career development and taking care of an employee tie back to some of the retention concerns you have?

Justin Pittman:

The role of the supervisor is very critical to helping that individual with their career path. I would say from a lot of folks today that are new to the industry, whether they come in to work the frontline, or whatever it is, most of those folks don't want to stay at the frontline throughout their career. I think that's what has a lot of folks either looking at alternative paths or looking further down their career. Asking themselves “Is that where they want to be in 15 to 20 years?” Having that supervisor work with them on their career path, I think is going to be crucial. That's really where they can see themselves, and how they see themselves, at that facility in 15 to 20 years. If you don't

have a connected worker that can't see themselves doing something different or being able to manage or do things differently in the future, I do think it's going to be harder to have retention.

Sachin Agrawal:

I think that makes a lot of sense. Oh, James, please jump in.

James Preston:

Well, Sachin, as I listen to both Justin and Libby talk, there's some clear links that I'm hearing that ring true for me and are true of our workforce as well. It's tied to communication, it's tied to development, and it's tied to your frontline supervision. And the third piece, I guess for us the piece that ties all that together, is there's also an evolution of the workplace for Shell in the sense that both the nature of the technology as well as the nature of the industry, as we move towards a net zero carbon future, employees need to also feel like there's a future for them in that world. So, what type of training and development are we going to give them, to retool them, to still be relevant in the industry of the future?

James Preston:

How well are we communicating that development we need to do for them? I wish I could attribute the quote, because I can't remember who made it and it's certainly not a James Preston original. But we often say in Shell, "there's a secret ballot going on every day where employees are voting for or against their supervisor." To them, the company is their supervisor. They don't see the CEO and make judgments about their opportunities from what they might hear a CEO say in a webcast, because they probably didn't watch it. What they care about is how their supervisor treats them and what their supervisors are communicating to them. I think it makes the point that both Justin and Libby were making critically important. How well are we developing our supervisors? But more importantly, selecting the right supervisors to develop to communicate the right messages to our employees, and provide the kind of development that our employees need to be successful in our world today. That, combined with non-traditional compensation benefits have become as equally important or more important than coming to work for a company that's going to pay them really well. "I'm going to get really good benefits," "I may have a pension," those are obviously important items, but how they feel like they have a future and how we're developing for that future and communicating that to them is what's become important, at least in our world.

Sachin Agrawal:

That's fantastic. That really is a quite a holistic view of the individual versus just taking a very transactional view. It really becomes more about them, versus the dollars and cents. Libby, anything else you'd add to that sort of viewpoint?

Libby Andrews-Simmons:

Oh, goodness. Where would I start with that? But just to follow up on some of James's comments, at INEOS and at Olefins & Polymers USA (O&P) which is my business, we have a saying that we are building our plants for the next generation. You're absolutely spot on that employees are not just looking at the next paycheck, or their benefits, or even their retirement. They want to know that we are making good business decisions, that we have an eye to the future, and that we are about preservation. Job security is a whole different concept now, right? It's more about making good decisions to stay in the game, to be competitive, and certainly to be safe. And again, to provide that future path. We have a lot of employees who like to refer friends, neighbors, family members for roles and they want a sense that we are dedicated to making sure our assets are running well, and that our business is going to be there in the future and continue to be a part of the community where we serve.

Libby Andrews-Simmons:

And just kind of going back to some of Justin's comments, we could have another hour long discussion about first level supervisors and their significance and importance to running any manufacturing site. Just to give you a quick statistic, everyone I know knows this: when employees leave an organization, the number one reason employees resign is because of their relationship with their immediate supervisor. Not, as James said, because they like or don't like the CEO. They leave because they don't like their boss. And so, to that end, we are dedicated to development at INEOS, in particular for our front level leaders. We have a full program that's actually quite time-consuming. But we make the time and make the investment because we understand that that relationship is so very important to running our assets.

Libby Andrews-Simmons:

And having those front level leaders see themselves as leaders, not just as supervisors, or as people who got the job because they're good at what they do, but because they are set apart as leaders and take that role and that responsibility to heart. They do see that they have a direct impact, day-to-day, on how we are able to run our business. They have a huge impact on retention, on safety, on productivity, all of that. So, any organization that expects to prosper had better be focused on front level leaders and, again, on how those individuals are placed in the running of our day-to-day operations.

Justin Pittman:

I'll just add a last note on retention: transparency of the business or the state of the business and how you communicate that is also key. I think, obviously, with the zero-carbon emissions, the US and globally, it does have folks concerned of, "Hey, is this going to be a sustainable industry or a sustainable company going forward?" And how an employer communicates their position with zero-carbon emissions is going to be key. What does that 5-, 10-, 15-, 20-year plan look like?

Justin Pittman:

And most individuals, when you get 15 to 20 years at a particular company, most folks aren't looking to go somewhere else immediately just to make a change like you would see with the younger generation that would be maybe easier, a little more susceptible to make a quicker change. Most folks, when they get comfortable and they get solidified somewhere, they do want to stay, and they do want to make a career out of it.

Sachin Agrawal:

So really building that long-term relationship, thinking not just today or tomorrow, but well into the future is key to keeping that retention. If you think about the employee for 15 years, they'll see themselves there for 15 years.

Justin Pittman:

Yes, sir.

Sachin Agrawal:

That makes a lot of sense. So, you mentioned that there is a change in the industry as well, many businesses are changing and talking about what that longer term future is. You mentioned communicating that in a positive way. What have you guys had to do to sort of communicate that future vision, and how do you do that effectively?

Justin Pittman:

I would say number one, like I mentioned a minute ago, is just to communicate the strategies that the employer is taking, communicate our stance on where we're headed and what we're trying to do. Then, just continuing to reiterate that and communicate that: as a business and where we're headed as a company.

Sachin Agrawal:

All right. Anything else that anybody else wants to add to that?

James Preston:

Sachin, the only thing that I'll add is that, and I think Justin made this point very clearly earlier, you have to be explicit in your communication. Your communication starts top-down. What's our strategy? What are we doing? And Shell has been very explicit, and it's a deliberate intent to transition to an energy company. So, what our plans around that transition are. Then the second piece of it becomes a clear and simple communication to employees on the front line of "what's in it for me?" Are we going to provide you the technology, the tools, and the training to make you relevant in the new world that we intend to be relevant in, and that we intend to be profitable in? They need to understand that. They need to understand what it means for them and how it benefits them. You have to develop those messages and give those messages very explicitly to the frontline through your frontline leaders. That's a challenge, but it's also what's critically important in our minds to making sure that the employees understand their place and their importance in that journey.

Sachin Agrawal:

Well, thank you for that. That's excellent. So maybe moving on to another topic here, and James, I'll point to you here just to start us off on this one. As scheduling is growing more and more complex and, especially in the energy sector, everything you need to take care of from regulations to safety, we're hearing a lot that employees and unions are demanding better schedules, better working conditions. Again, with the pandemic driving a lot of these changes, they're asking for a culture change. What are operators doing to adapt to this? What are you changing in your organization? You mentioned even Shell as a whole is changing, but also maybe what data and information are you looking at to drive those changes?

James Preston:

Yeah, it's a great question, Sachin. I think it's a dual challenge, at least from my perspective. At unionized sites, there's the perspective and the change that you need to address with your employees, your hourly operators. But there's also an additional challenge of collaborating, partnering, and educating the union on what some of those fundamental shifts in the company are. What we are looking at from a data perspective, is a shift in our focus more towards the data. Telling us what we could do to make operations more efficient, more reliable, to reduce our unplanned downtime, because it's about ensuring that you're efficient and you're profitable, and it's not necessarily thinking about what schedules people are on. So, our discussions with the union have evolved into how we partner together to give schedules that provide some of those critical benefits and work-life balance and flexibility to employees without impacting our bottom line, without impacting our reliability, without impacting our efficiency.

James Preston:

I'm not opposed to having alternative schedules that give people more flexibility. If there's a way to do that where the employee feels valued, then the employee has something that they want and therefore the quality of the work that you get when they're at the worksite improves. And what we've seen in the workforce itself, and not just in the new generation, is a shift around what their priorities are and the importance they place on those priorities. The world that we've traditionally lived in focused on providing opportunities for large amounts of overtime, and it's not to suggest that you don't have the overtime hawks still, but more of the workforce has become focused on work-life balance and less overtime.

James Preston:

What I've seen is the change curve for the union lagged behind the change curve for the new employees that we're

hiring, so we've had to partner with them to adjust that. Now, I will say that I'm blessed in all the facilities that I support with what I would describe as both progressive and quality union leaders that are focused on some of the things that we're focused on. They haven't lost sight of the fact that those are our employees and they are our employees as well. What benefits the other employees benefits them. But there has to be a shift in how we work with the union and how we work with our employees, because there are things that we have to bargain with the union. There are things that we have to agree on, and schedules are one of them. Striking that balance and getting that shift in their mindset has become important. Primarily getting union leaders comfortable around some of the technology and tools that we want to use to eliminate what I would call "low-value tasks" and get operators using technology to focus on the things that we find most valuable. And I'm sure Justin could speak quite a bit to this — the quality of the efficiency of operations becomes critically important in the use of technology and making that happen to eliminate low-value tasks is very important. That's our challenge in working with the union because our workforce is going to evolve and the way that they're going to work and what they're going to do in that workplace is going to evolve, and evolve rapidly, with technology.

Sachin Agrawal:

Yeah, I'm really fascinated about that aspect of how technology is changing the workforce. Maybe James, you can walk through what is changing with technology and what impact is that having on the types of jobs that frontline workers are doing?

James Preston:

Yeah, it's a great question. And the priority that we've got in using that technology for change really has to do with safety, right? We are looking hard at ways to use technology to take operators out of harm's way, and to save time, and have them do more valuable tasks in areas that are less risky for them. For instance, using technology to add sensors on equipment, using drones for sensory rounds.

James Preston:

For example, I've got a field operator who spends four hours out in the field making the rounds, making logs. If I can reduce that task from four hours to two hours because we're utilizing technology, I'm also improving the safety of that operator because I'm not having them climb stairs up a cooling tower. I'm not having them go into areas to take sensory rounds where I have furnaces that run at 700 degrees. If they're having to do that from the comfort of the control room on an iPad while controlling a drone and taking the readings off a drone or taking the readings off the sensor on a furnace, I'm reducing the amount of time that I need for them to spend on tasks that could be spent on more valuable tasks and I'm also taking them out of harm's way. So those are good examples of where we use technology, particularly on the maintenance side, that gives Shell more flexibility around scheduling that perhaps could provide employees more work-life balance.

Sachin Agrawal:

That's fantastic. As all this technology comes in and changes the nature of work, we've talked about communicating this with employees, but also, James, you mentioned there's a union at some of your facilities. What does that conversation look like and how do you paint that picture, not only just to the individual, but to the union?

James Preston:

Yeah, I had an interesting comment that I got from what I would describe as a high quality and very insightful union leader that said, "I don't want to be the strongest unemployed union that there is." And what he meant by that was, we've got philosophical beliefs that we both have to protect. I don't want to give the impression that we agree with the union all the time, because we certainly don't, and more often they don't agree with us. But the importance is understanding that it can be a mutually beneficial relationship. They can only represent employees to the extent

that those employees have jobs. The union's focus and our focus has been on helping them understand the changes we're making to the business and how that benefits the workers so that they're working with us on making those changes and understanding the shifts and the trainings that we want to do with the employees, to keep them relevant and to keep the employees employed long-term.

James Preston:

That's the approach that we're taking with the union. Now, the pace of change moves slower than I would like, and that's to be expected, but getting the union to focus on what I would describe as "non-traditional terms and conditions of employment" versus their more traditional focus around seniority, around pay, around overtime. Focusing on what's become more important to the employees and what will be important in ensuring those employees remain relevant: that's training, that's technology, that's differences in benefits and flexible work schedules and focusing on high-value tasks. Getting their minds around that and giving a little bit more flexibility in the splits between what you would call traditional seniority lines: "So I fit in this little box. I do X, Y, and Z, and I don't step out of that box because Sachin's over here doing those other tasks," it's integrating those tasks a bit more and doing them in a different way. We're still working with the union on understanding and making some of those adjustments.

Sachin Agrawal:

I'll open it up to the panelists and see if there's any other thoughts here.

Libby Andrews-Simmons:

If I may, I just wanted to add a few observations. Where I am, at Olefins & Polymers at our Chocolate Bayou facility, we are not represented. We're union-free, so we're always looking at opportunities to make sure we're able to hear directly from hourly employees in terms of what their concerns are. We believe we are best equipped to address those concerns as management, and so we do a biannual survey at Chocolate Bayou where we ask all employees about very specific engagement questions. You know, "Do you believe you're paid fairly? Do you believe your benefits are competitive?" We ask a lot of questions about that supervisor relationship. "Does my supervisor treat me fairly? Is my supervisor interested in my development? Are my coworkers helpful and friendly?" We ask specific questions about our senior management team on-site, and we call our entire team. "So do you think Libby Andrew Simmons is responsive to your concerns?" So, we ask those very specific questions, and we actually bring together our entire on-site leadership team, which is about 125 individuals to look at those survey results and collectively come up with action-items and things we're going to do over the next two years to try to address some of those concerns.

Libby Andrews-Simmons:

The other thing I think that we do that's very important is that throughout the year, I accompany our site director to go to actual meetings with employees. It's very informal. We have sit-down luncheons where we talk about what's going on with the company, how we're doing. We talk about our bonus metrics, which are very important to employees, but it's also an important opportunity to have that face-to-face interaction and just hear about what's going on area-to-area and what employees have at the top of their minds. We've gotten some really good feedback, and continue to get good feedback, by executing those surveys and having that face-to-face communication. But I'll say one more time, the most important communication aspect is the front-level leaders. We're constantly having discussions with them to find out what they are hearing, what concerns, or what should we be focused on, and listening to that as well.

James Preston:

I applaud Libby in what she's describing, and we do many of the same things. I think the clear steps that they

take around employee relations are key to running a high quality organization. And the point that I'll make about unionized sites as well is you may have a union, but you still own the relationship with the employees. And the employee relations piece, even in an IR environment, it's critically important. I applaud Libby for what INEOS does, and we certainly do that in our sites as well. But I just wanted to add in, whether you're unionized or you're not unionized, what Libby just described is the most important thing that you can do for your employees, because at the end of the day, they're your employees and you own that relationship.

Sachin Agrawal:

Justin, anything you wanted to add there?

Justin Pittman:

Yeah, I think feedback from the organization is critical to a healthy business. It's critical for the leaders to really understand how we are doing as leaders, but also how are we doing with our business plan, with where we're headed, with where we want to take the organization. Are we bringing it in the right direction? I think the healthy feedback from the organization, positive or negative is going to be another big key factor for retention.

Justin Pittman:

But two points that James made earlier on, around overtime rates and then also the use of technology. Around overtime rates, I've seen a mix in the organization. There's a broad spectrum of folks that like a lot of overtime, I think James is referring to the "overtime hogs," but the ones that like a lot of overtime. And then the ones that don't like any overtime at all. If I looked and met in the middle, there is a healthy balance. Most folks like a healthy balance of overtime, meaning that's that extra income on top of what their base salary is. So, they do enjoy that, but they also like it whenever they can volunteer and choose that overtime. So that's also important.

Justin Pittman:

When the overtime's there, that's always good for some employees. Obviously, forced overtime gets into the folks that don't want to work overtime versus the folks that will volunteer to take it, that are usually more susceptible to taking the overtime. When you've got four to five people across the shift, when you've got a healthy balance of overtime, they're typically the ones that take it versus the employees that don't want it. And then the last comment is really, what are you doing when you're out there on overtime vs when you're on a regular shift? That is also key, and I think what James hit on is the use of technology, which could turn an ordinary task into an extraordinary task.

Justin Pittman:

It could really take something that folks have seen, "Hey, we've done this for the last, you know, call it 20 years, 30 years" writing pressure down on a notepad or something. And entering that into a shift log or putting that your own personal notes in a notepad somewhere and follow that old way. Now, to where you could use from a tablet like James mentioned to drone, those tasks become less monotonous. They don't become mundane tasks. They become, you know, fun, more exciting tasks to do.

Sachin Agrawal:

That's fantastic. You know, I think we're getting close to time here. And so before we wrap up, I wanted to give an opportunity to really just open up to the floor here. Are there any comments, things that stood out to you as part of this conversation or maybe something that we didn't cover that you think is important? Again, when we think about the changing world of workers and work? Libby, I'll let you open.

Libby Andrews-Simmons:

Okay. I think one thing that is very current, but something we probably would be remiss if we didn't talk about,

is how inflation is impacting employees in general. I would say from the companies represented here, in general, these are companies that have good jobs with good salaries and what have you. But I believe every person has been impacted by the record inflation in this country. Obviously we don't have as much input in terms of the overall economics of the country, there are many, many factors as we know, and it's quite complicated to understand how we got to this point. But to be thoughtful about how that impacts families, how that impacts the employee view of what they should be able to see in terms of salaries and how that impacts their ability to spend money and even perhaps their interest in overtime and other knock-off effects of inflation.

Libby Andrews-Simmons:

I don't necessarily say that we at INEOS have a solution, but we certainly are going to be asked to respond to inflation and how it impacts our employees, and do we at least have a response for it?

Sachin Agrawal:

The world of inflation is critical. James and Justin, is there anything particular that you think about with this inflation problem, and with your employees, or any other topic that you want to do a final comment on? James, to you.

James Preston:

Yeah, Sachin, a couple of comments. I echo Libby's remarks about inflation. Everybody worries about it. The folks on this call probably worry about it. I think we're blessed to work in an industry, in an environment, where folks are well paid, they get good benefits. And that doesn't mean that it doesn't hurt when you're paying an extra \$1.50 for milk, huh. These are certainly concerns that our employees have raised. What we've continued to do is be very transparent about our philosophy on compensation, how we measure and look at the competitive marketplace, and how we make those adjustments. That doesn't always make employees happy, but I think it goes back to the comments that Libby kicked us off with at the very beginning. The transparency and the clear communications. In being transparent around just exactly how compensation models work and what our philosophy is, is important for employees to understand.

James Preston:

And if they're clear on that, the answer may not all be pleasant. I mean, hey, listen, I want a 20% raise like the next person does. But if they understand how our adjustments work and how we measure it and how we put those in place, it makes it much easier to manage. I think the other thing that I'll add to the conversation that's been critically important for Shell as we've worked through the pandemic is also recognizing some key cultural-social shifts with social justice movements and other changes in our social and cultural environment. Our what we call "Equity, Inclusion, and Diversity" plans and progress has become critically important to us. I think it goes back to what you said, Sachin, in the conversation with Libby around what's important to each person is important to us. And you need to have an understanding and a plan around what that equity and that inclusion really looks like.

James Preston:

And in inclusion is understanding what's important, to individuals as well as to groups of employees that you have. Recognizing really that the most value you can get out of a company from a business perspective is where everyone's opinions are heard and respected and acted upon. You're providing an environment where anybody can feel comfortable. We're really focused on understanding and providing benefits and networks to ensure that we've got that equity and inclusion embedded as part of our company values. That's a real focus for us, and I think that's important to employees, whether they're operational employees, or they're corporate employees, or working in a technical function.

Sachin Agrawal:

Fantastic. And then, Justin, I'll hand it over to you to close this out here as we're coming up on time. Final comments from you.

Justin Pittman:

Yeah, just from picking up from what everybody said, I think, retention's going to be key. It's going to be more and more difficult in the coming years. We're a part of a larger Gulf Coast industry, where there's new facilities oil, gas, and chemical, that are popping up, even new energy, they're popping up all over the place. So, I think retention is going to be key. Really solidifying good sound leaders that really connect to their employees I think that's going to be key for any industry, any facility, moving forward.

Sachin Agrawal:

Yeah. Fantastic. Well, I know we are at time now and wanted to, firstly, thank all of our panelists here today for taking the time to talk to us and walk us through this insightful conversation. I certainly learned a lot about what you're going through on a day-to-day basis on the ground. For everybody who's joining us online, if you have any questions for our panelists, please do get those into the chat, and our moderators will facilitate getting those questions out to our panelists, and then we'll share those again out with the group. So, thank you again for joining us here at this round table, and I hope you all have a great and safe day. Thank you very much.