Front Line Leadership in the Oilfield
Aaron D. Horn, Eos Resources, LLC

Abstract
The United States has a path to energy independence through the economic development of domestic unconventional resources. At the same time, the oil and gas industry faces a generation gap as many baby boomers in leadership retire. Compounding the generation gap is the industry’s general trend to promote people to leadership positions based on technical ability, assuming technical acumen will translate to leadership acumen. This paper puts forth a military-influenced model for leadership in the industry and provides analysis of the results of a survey regarding front line leadership.

Leadership is the art of influencing not only one’s subordinates, but also one’s peers and superiors in the accomplishment of a common objective. This paper proposes a model for effective front line oilfield leadership as the embodiment of five traits—self-awareness, humility, honesty, courage, and persistence—and the adoption of five habits—leading by example from the front, knowing your people, treating people as they can and should be, communicating effectively, and being decisive (but not in a vacuum). The focus is on leadership at the front line, where technical staff interacts with field staff to accomplish the mission. The oilfield relationship between technical staff and field staff is similar to that in the military, which is central to the author’s argument for the proposed leadership model. The paper also summarizes a survey conducted of approximately 100 oilfield personnel, ranging in age, experience, job function, and organization type. The survey results provide insights into the current state of leadership in the industry, using the proposed leadership model as a guide for the assessment.

These findings support the author’s three primary conclusions. First, there is a need for collective focus on core leadership principles to obtain the best, safest performance from a generationally lopsided workforce. Second, the survey offers multiple perspectives across a broad demographic regarding the relative importance of the leadership model’s traits and habits and how they relate to one another. Finally, an analysis of survey data provides perspective on the conflicting perceptions regarding leadership between different industry demographics, most notably between executives, management, technical staff and field staff.

Should the industry continue on its growth trajectory, the lack of adequately trained leaders has profound ramifications, ranging from decreased capital efficiency to increased accident rates. Focus on the leadership ability of tomorrow’s leaders should not wait until tomorrow.

Introduction
The oil and gas industry has the potential of a long period of unconventional resource development that could fuel energy independence for the United States. As the industry expands to support this growth period, it will face multiple challenges to the efficient deployment of capital and safe, environmentally responsible operational practices. One of those challenges is the generation gap. A severe downturn in the industry in the late 80s and early 90s left a shortage of experienced personnel. To compound the generation gap, most of our new technical professionals are promoted to management positions without the benefit of a single leadership class in their college years, and without any significant leadership training experiences in the first five years of their professional careers—arguably when they are most impressionable. Instead, technical professionals develop their leadership models obliquely through passive observation of their early leaders and managers.

Leadership is the art of influencing others, whether superiors, peers, or subordinates, in the accomplishment of a common task. One does not have to have authority over another to provide leadership. How we lead should change very little whether or not we are in a position of authority. Leadership is not just powerful in the hands of executives, managers, or engineers. Every person in an organization has the capacity to increase his or her contribution to the organization—and ultimately to the profitability and health of the organization—through his or her ability to influence others in the accomplishment of day-to-day tasks. First, this paper will focus on front line leadership between technical staff (engineers,
geologists, etc.) and field staff (superintendents, foremen, etc.). Second, it will review the results of a survey given to industry professionals on the topic of front line leadership.

Leadership Versus Management
Leadership and management are different, though they are inextricably linked. This paper addresses leadership, not management. Engineers and other technical professionals are often good managers, because management is about accomplishing activities and mastering routines, which engineers are taught how to do through their undergraduate studies. While managing is exercising supervisory and administration direction over a group or organization, leadership is influencing others and creating a vision for change. We manage systems, assets, and things; engineers are good at that. Leadership is about working with people, and the same skillset that allows someone to be efficient with things does not translate to effectiveness with people.

Army & Oilfield: Similarities in Front Line Leadership Dynamics
Engineers and geologists in the oilfield normally communicate their intent to field personnel who actually execute the tasks. Even when engineers are in the field pulling levers and wielding wrenches, the task in front of them is normally bigger than they alone can accomplish. So they are only able to have “hands on” influence over, at best, part of the job while they simultaneously direct others in the accomplishment of the task. In the oilfield, technical professionals are not just measured by their ability to provide sound technical plans for operations, but also in how they influence others to execute that plan.

This dichotomy between field personnel and formally educated technical professionals has been sacrosanct in the Army for thousands of years, since before Alexander the Great stretched his empire across Asia. Non-commissioned officers (NCOs) are experienced enlisted Soldiers who worked their way up the ranks through blood, sweat, and tears. Their knuckles have been scraped and their youthful arrogance tempered by consistent doses of reality. NCOs are paired at every organizational level in the Army with officers, whose initial contribution stems from their formal education. NCOs are the backbone of the Army, but every success or failure rests on the shoulders of an officer.

The oilfield engineer is charged with ensuring operations honor time-tested engineering practices, as the Army platoon leader1 ensures operations honor time-tested tactical procedures. The engineer acts as the link between corporate and the field, which requires that he or she spend some time in each, but not too much time in either. The platoon leader does the same between higher Army echelons and the platoon he or she leads. Field personnel in the oilfield usually implement a plan, but engineers are ultimately held accountable. This dynamic—which is the same between NCOs and officers in the Army—can be a platform for resentment if not anchored by sound leadership habits. On the contrary, if the relationship is built on a foundation of sound leadership, it can give tremendous rewards to the individuals involved, their team, and the organization.

The leadership model offered here reflects the author’s experience having witnessed and studied this leadership dynamic first at the United States Military Academy at West Point, then in combat in the Army, and now in the oilfield.

Front Line Leadership Model
The 5 Leadership Traits. A trait is a distinguishing characteristic of one’s personal nature. There are five traits that should constitute a person’s leadership nature. These traits represent the essential characteristics necessary to influence people to accomplish tasks each day while preserving and enriching the long-term relationship with those we seek to influence. These leadership traits are roots: they should run deep and provide ever-present stability through good weather and bad. A leader should be

- Self-aware
- Humble
- Honest
- Courageous
- Persistent

Self-awareness is a state of understanding regarding your strengths and weaknesses, how people respond to your behavior, and how well you reconcile your perceptions with reality. If you are not self-aware, then you are oblivious to the repercussions of your behavior. You are inattentive to feedback from people with whom you work. In short, a person who is not self-aware is flying blind.

Lincoln Andrews said, “...above all a leader must be genuine – his own true self, not an imitation of some other, be that other ever so successful.” Embracing one’s personality and being genuine are substantive traits to which people will gravitate. It’s not important that you become like other leaders you admire. It is important that you recognize your strengths and weaknesses. Do you prefer logic or feeling? Are you an introvert or an extrovert?2 These are things you should not try to change, because there is no right or wrong answer. For example, if you know you are an introvert who prefers logic to feeling, then you will be aware that your instinctual responses may not take into account the feelings of people involved, which is an important perspective in preserving long-term relationships.

1 An Army platoon consists of about 30 people.
2 These are categories from the Myers-Briggs Type Indicator®. www.myersbriggs.org
Leaders should seek feedback on their performance from peers, subordinates, and superiors. Formal feedback such as a 360-degree feedback survey\(^3\) is an important tool in understanding your performance and tendencies, but formal feedback happens in a setting that inherently inhibits candor. On the other hand, informal feedback happens all around you everyday, but it is camouflaged in the body language, tone, truths said in jest, and other impulsive reactions people have in response to your actions. In order to tune into these and reap their value, you must constantly seek to reconcile your perception of your behavior with others’ perception of your behavior. Self-awareness is your little blinking blue icon on the map of life.

**Humility** is having a lack of arrogance and misplaced pride. Technical professionals graduate from college brimming with an intoxicating desire to go forth and do great things. Arrogance is having this desire, but not having the security to know what you don’t know; it’s not realizing that although you may have mastered Einstein’s physics and Socrates’ philosophy, you can still learn from every single person you meet.

Pride can be positive when it motivates you to have discipline, work hard, and strive for excellence. But as it relates to Humility, “pride” describes the natural human desire to be right every time, to add value at every turn, and to one-up the next person. Humility is about tempering these natural human tendencies with an acknowledgement of our vast ignorance. No matter how good a leader, someone always knows something he/she doesn’t. We never achieve what we otherwise could without the help and honest input of others.

Every person you meet can teach you something, but in order to learn from someone you must first admit ignorance. When you allow others to teach you, that small act of Humility provides for the other person a moment to shine. They’ll remember that and be grateful for it, and you’ll learn something. As engineers, we think we need to constantly display our competence by answering all questions first and correctly, as if life is a perpetual game of JEOPARDY®. Instead, young technical professionals will more quickly gain the respect of others by displaying an understanding of their own fallibility. Humility isn’t easy, but there is no secret to it. It is not hard to realize that you are ignorant about many things. The hard part is allowing the world to see your soft, tender underbelly.

**Honesty** is the quality of being sincere and free of deceit and untruthfulness. Though we all understand that huge black lies lead to failure, we must also understand there should be a balance between candor and consideration for others’ feelings. No matter how hard, leaders must give sincere, candid, and timely feedback in an appropriate manner. They must also promote an environment that allows the group to be honest with itself as a team. In order to establish this truthful environment, the leader must embody and embrace candor.

To be able to tell hard truths in a positive way, you must spend time making emotional deposits and building relationships. The late Stephen Covey in *7 Habits of Highly Effective People* talked about making deposits in order to build a relationship (Covey 1989). These deposits involve things like paying compliments, keeping your commitments, and spending time listening. They are actions that grow your emotional equity with another person. Addressing a difficult topic with someone represents a withdrawal on those emotional deposits. So you have to earn someone’s respect and trust in order to provide effective, candid feedback if you hope to preserve the relationship in the process.

Technical staff must promote an environment where field personnel provide honest assessments of what is happening in the field. At any time, people should be welcome to “turn over rocks and reveal the scary squiggly things beneath” (Collins 2001). If you yell and scream and cuss when your team gives you bad news, you will eventually find that you have to wait for the wheels to fall off to find that a few lug nuts were coming loose. But if you receive bad news with a cool, respectful manner, people will be comfortable bringing you bad news immediately, and bad news is best shared immediately.

**Courage** is strength in the face of fear. “Fear,” said Ralph Waldo Emerson, “defeats more people than any other one thing in the world.” Courage is not the absence of fear, but the ability to function while fearful. Courage separates mediocre leaders from good leaders. Leaders must have the Courage to speak up when something is wrong, to shoulder the blame when the team fails, and to credit the team when it succeeds.

The simplest act of Courage is to point out when something is wrong. However, pointing out something is wrong usually requires pointing out someone is wrong, which carries repercussions. The way to point out a wrong while maintaining the wrongdoer’s dignity boils down to the “where” and “how”. Pointing it out in front of a group can be very damaging; an easy way to create lifelong enemies. If possible, an offline discussion is better. There are times when a leader must point out a wrongdoing during a meeting. It is important to do so using the future tense if possible. The laws of rhetoric state that the past tense places blame, and the present tense questions values. The future tense focuses on choices, and is effective but less offensive (Heinrichs 2007).

Let your team have all the credit when things go well. Your worth will show in their performance; sustained results show great leadership. On the other side of the coin, take responsibility when your team fails because as their leader, it is ultimately your fault. Perhaps you did not aptly resource them or communicate the plan or provide adequate training. Maybe you did not give them enough time, or maybe you did not adequately communicate the big picture. Give credit publicly to your team when things go right, and take responsibility when things go wrong, and your influence will grow.

**Persistence** is tenacity, verve, and firmness of purpose, and it is the great equalizer in life. Most great successes come from simply sticking with the problem and committing to a solution. “It is not that I am so smart, it’s just that I stay with the problems longer,” said Albert Einstein. You must be persistent in your pursuit of knowledge and understanding, and you must push others to do the hard things that determine success or failure.

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\(^3\) A 360-degree feedback survey provides an employee feedback from subordinates, peers, and superiors.
Technical professionals must seek everyday to broaden their knowledge and understanding, which includes spending time with hands on the concrete things in your craft. The pursuit of technical knowledge must be grounded in more than just textbooks. Excellence comes from significant time spent doing a thing. This requires spending time at the front lines of your craft. Technical staff must get to the field to observe, ask questions, and do. Engineers must persist in seeking the real truth to bridge the gap between the PowerPoint reality reported in cozy offices and the bare-knuckled reality of how things really happen in the dust and mud of the oilfield.

What separates the mediocre from the good leader is how each responds to obstacles, and how each allows teammates to respond to obstacles. The leader pushes the team around or through every obstacle presented. This sort of dogged determination takes energy, will power, self-confidence, and an inquisitive mind. As Hannibal, the Carthaginian tactician who plagued mighty Ancient Rome, once put it, “I will find a way or make one.”

**The 5 Leadership Habits.** A habit is a behavior pattern acquired by frequent repetition that shows itself in regularity. Though one could list dozens of healthy leadership habits, there are a core five that, if practiced in our daily routines, will result in good leadership. Leaders must

- **Lead by Example From the Front**
- **Know Their People**
- **Treat People as They Can and Should Be**
- **Communicate**
- **Be Decisive (But Not in a Vacuum)**

**Lead by Example From the Front.** The first leadership habit is to Lead by Example From the Front. Leaders must set the example and embody the standards they wish their team to adopt. Mahatma Gandhi said, “You must be the change you wish to see in the world.” Additionally, the front line leader must spend time in the field, leading from the front in the muck and mud, in the sun and rain.

The cliché, “Do what I say, not what I do” touches on a fundamental truth: leaders can sometimes be too lazy to do what they ask of their team. An example is the leader who shows up late to meetings and leaves early from work. Authority does not present us the latitude to suddenly dismiss punctuality, and it does not give us a free pass to shoulder a lighter load. Most people will go to great lengths if they see their boss respects their time and works long hours alongside them. Witnessing you doing something, whatever it may be, good or bad, makes it easier for your people to do the same.

For technical professionals in contemporary society, it is easy for us to come up with excuses to stay inside, building spreadsheets, preparing for meetings, conducting research, and so forth. But there is no substitute for a clear understanding, and the quickest path to a clear understanding is first-hand information. It is nearly impossible to inspire by phone, and entirely impossible to inspire by email. Inspiration does not stem from great speeches. What inspires people is having a leader who cares enough to show up, in person. Your influence over the people around you will be directly correlated to the amount of time you spend with them. Humans tend to prefer the familiar. We tend to trust people who have made the personal investment to breathe common air. The root of this is our recognition, whether consciously or subconsciously, of the most valuable asset any of us possesses: time.

**Know Your People.** The second leadership habit is to make a consistent, concerted effort to know your people, which ties back to leading from the front, because you must spend time with people to learn about them. Address people by their name and ask questions that give them the opportunity to talk about themselves.

First, learn people’s names and use their name often in discussion. As Dale Carnegie said, “A person’s name is to that person the sweetest sound in any language” (Carnegie 1936). Although it may seem overly simple, many great leaders attribute a great part of their success to just remembering and using people’s names. Going beyond just a name, leaders must take the time to learn about each person in their team. It will earn their trust and faith, and it is personally rewarding. It takes time and patience, especially in the workplace. Learning another person involves observing and listening, both of which require energy and time. Ask questions and you give others license to talk about themselves without looking self-centered, which will expose things about them that down the road will facilitate meaningful conversation to keep you personally connected. By taking the time to provide another person rapt attention, leaders can start to develop their mosaic of each person. We are each a unique mosaic. What we think, how we spend our time, and our views of the world are important; all these color a portrait for others to see.

**Treat People as They Can and Should Be.** The third leadership habit is to Treat People as They Can and Should Be. The wording of this habit is fashioned after a quote by Johann Wolfgang von Goethe: “Treat a man as he is and he will remain as he is. Treat a man as he can and should be, and he will become what he can and should be.” In order to do this, a leader must consistently delegate and set goals for the team.

Delegation, or the act of entrusting a task to another, is a leader’s most powerful tool. It is a concrete action by which you can Treat People as They Can and Should Be. Delegation allows leaders to expand their influence exponentially. Technical professionals have assistants, technicians, and field personnel with whom they can share the load. By delegating important tasks, leaders show faith in people and provide them growth opportunities. The difficulty with delegation is that the responsibility still remains on the leader’s shoulders. So delegation requires trust in those with whom we work.

Leaders establish goals to elevate performance and align actions. If a goal is not challenging, it will not serve the
purpose of elevating the team or the individual’s performance; however, goals that are obviously unobtainable will have no traction. One good way to reach that balance is to get the group’s input in establishing a clear, measurable, reasonable goal. Then it is the leader’s role to remind the group of the goal and measure progress. A goal will carry more weight if it is made a part of daily discussion to set priorities and align actions.

**Communicate.** The fourth leadership habit is to communicate effectively. The biggest threat to oilfield operations at any one time is fear of embarrassment, which is entropy’s greatest tool on location. Bravado and machismo keep mouths shut when they should be open, and mouths open when they should be shut. Plus, an oilfield operation is often intimidating of its own accord, often involving multiple companies, big machinery, loud equipment, heavy iron, pressurized vessels, and so forth. Technical professionals must communicate effectively with the team. Here we will address the power of listening and the folly of email.

Stephen Covey said, “Most people don’t listen with the intent to understand; they listen with the intent to reply” (Covey, 1989). In conversations, our nature is to scan our autobiographies searching for tidbits to contribute to the conversation, as opposed to truly listening. Truly listening requires concentration to forget our autobiographies in order to focus on what another person is saying. Professionals who find the discipline to be good listeners will find their careers enriched by their broadened influence.

Email is becoming an oft-abused method of communication by technical professionals. Sitting behind a desk in an office, miles away from the field staff, it is easy for an engineer to exchange thoughts and give guidance via the written word; plus it provides the engineer the comfort of not only communicating but also documenting instructions. As with most actions that come easy, there is little leadership value found in an email. Email should never be used to address a topic that could rouse any sort of emotion. It should never be used to criticize, to argue, or to complain. Email should be reserved for short, superficial messages; to disseminate information to a large group; to document legal discourse; or to reinforce a discussion that has been covered via a phone call, or better yet, in a face-to-face discussion. Email causes more harm than good in leadership; it is impersonal, cold, and will often be misinterpreted by the reader.

**Decisiveness.** The fifth leadership habit is Decisiveness (But Not in a Vacuum). Whether split second decisions in high-pressure situations or strategic decisions that are the result of months of team analysis, technical professionals must know when to make decisions after optimizing available resources.

Henry Ford once said, “I can summon to my aid people who can answer any question I desire to ask.” Ford was suing a newspaper for libel, and the defense lawyers put him on the stand and machine-gunned him with trivial questions to prove Ford’s general ignorance. Ford, clearly irked, leaned forward and made his reply, a part of which is captured above. Ford understood that a leader’s charter is not to know the answer, but to find the answer. When people are placed in leadership positions they often mistakenly assume they are shouldered with the responsibility to have all the answers. On the contrary, leaders have the responsibility to influence their team to the right answer through passionate debate and respectful disagreement. This is a nuance of leadership often lost on young technical leaders.

Joe B. Foster, founder of Newfield Exploration, once gave a speech to the Offshore Oil Scouts Association outlining clichés by which he worked. One cliché was “Push for Closure.” Mr. Foster talked about a curve he has on his desk to remind him of the importance of timely decisions, shown in Figure B-1 (Foster 1994).

This “Decision Curve” shows the relationship between the cost of data and the probability of a correct decision. “Cost” is a broad category that could be time, money, and/or lost opportunity. The vertical axis shows the probability of a correct decision. On the left side of the curve there is not enough information available to make an informed decision. On the right, the cost of collecting information continues to mount but the probability of making a correct decision does not. When you recognize your team has sufficient information to make a decision, you must “push for closure on a decision before that curve turns over.”

**Survey**

The author administered a survey on leadership to 102 oilfield professionals. A survey is a systematic method for gathering information from a sample of entities for the purpose of constructing quantitative descriptors of the attributes of the larger population of which the entities are members (Groves 2009). The author solicited the respondents via email who then completed the online survey in December 2012. The survey consisted of 13 questions. The first seven questions gathered demographic information, including age, sex, education, oilfield experience, company description, job title, and company name (optional). Tables A-1 through A-4 show a summary of the respondent demographics. The final six multi-part questions first gave respondents the opportunity to prioritize leadership traits and habits in order of importance, then asked respondents to assess the efficacy of managers and technical staff in their companies at providing front line leadership to field staff.

**Relative Importance of Leadership Traits.** The survey first asked respondents to rank order the five leadership traits—Self-awareness, Humility, Honesty, Courage, and Persistence—according to importance regarding effective leadership. The results of this question show how respondents view each leadership trait relative to the others in terms of importance. The survey included definitions of each trait, which are listed here as well. From most to least important:

\[^4\] Traits are ranked ordered here based on the number of “Most Important” votes. The mean rank/score was used to break a tie.
1. **Honesty**: the quality of being sincere and free of deceit and untruthfulness
2. **Self-awareness**: a state of understanding regarding one's strengths and weaknesses, how people respond to one's behavior, and how well one reconciles one's perceptions with reality
3. **Courage**: strength in the face of fear, including fear of disgrace, fear of losing one's job, fear of being wrong, fear of being perceived negatively, etc.
4. **Humility**: having a lack of arrogance and misplaced pride
5. **Persistence**: firm continuance in a course of action in spite of difficulty or opposition

Figure B-2 shows a summary of the number of “Most Important” votes versus “Least Important” votes for each of the leadership traits. Over one half of respondents indicated Honesty is the most important leadership trait—much more than any other trait—followed by Self-awareness. Approximately one third of respondents indicated that Humility is the least important front line leadership trait. Though Courage, Humility, and Persistence all received the same number of “Most Important” votes, a significantly higher percentage of respondents feel strongly that Humility and Persistence are less important than Courage. Figure B-3 shows a full histogram of the responses to this question with total average scores.

Though it is hard to disagree with Honesty as the most important leadership trait, it is surprising that so many (33) consider Humility the least important leadership trait. Jim Collins in *Good to Great* (Collins 2001) found through his review of the greatest companies of all time, that one of the primary things great companies had in common was a humble leader. American culture glorifies and highlights leaders like Lee Iacocca, Jack Welch, and the late Steve Jobs, who were larger-than-life figures while running their respective companies, with brilliant, domineering personalities. Yet if one takes Mr. Collins’ analysis of the importance of humility in leaders, and adds to it the leadership styles and profound impact of Jesus Christ and Mahatma Gandhi, two extremely effective, transformational leaders who embodied servant leadership centered around Humility, one could argue that contemporary society glorifies the wrong traits in its leaders. Younger respondents consider Humility more important than do the older respondents, indicating that either experience tempers our belief in the importance of Humility, or there is a macro trend toward leadership styles that favor Humility over charm and big personalities.

**Relative Importance of Leadership Habits.** The survey then asked respondents to rank order the five leadership habits in a similar fashion. The following shows the order in which respondents rank leadership habits (and definitions provided in survey):

1. **Leading by Example From the Front**: embodying standards, setting the example, exhibiting competence in one's craft, being present and available when things are happening, spending time in the field, etc.
2. **Communicating**: verbal and written communicative skills, message clarity, succinctness, providing adequate information in a timely manner, listening effectively with the intent to understand, thoughtful use of words, effective use of email, etc.
3. **Decisiveness**: timely and competent decision-making, seeking counsel of others when making important decisions, having Courage to make decisions and stand up to the repercussions.
4. **Treating People as They Can and Should Be**: delegating tasks and authority, treating people with kindness and respect, showing trust in subordinates, setting goals that improve performance, etc.
5. **Knowing one’s people**: knowing people's names, personalities, strengths, weaknesses, preferences, etc.

Figure B-4 shows a summary of the “Most Important” votes versus the “Least Important” votes. Leading by Example From the Front is clearly the most important in front line leadership. However, respondents show greater disagreement ranking leadership habits versus the leadership traits. For instance, Decisiveness received the second most “Most Important” votes, yet it also received the most votes for being the least important leadership habit, highlighting that the importance of Decisiveness to effective leadership is a bit polarizing. Figure B-5 shows a full histogram of the responses to this question with total average scores.

Field personnel believe decisiveness is more important than do the other respondents. Although field staff agree with the rest of the respondents on the importance of Leading From the Front, field staff identify Decisiveness as the second most important trait, as shown in Figure B-6. This may reflect the frustration field personnel regularly face awaiting a decision from an engineer or manager. Figure B-6 also shows how executive, managerial, and technical staff collectively place higher importance on communication than do field personnel. This might reflect the tension between field and office, in that engineers and managers seldom feel like they are getting enough information, and field personnel often get wrapped up in the task at hand, and place a lower priority on reporting the progress of that task to headquarters than some engineers and managers might like.

**Efficacy in Terms of Leadership Traits and Habits.** The survey then asked respondents to rate front line leaders in their respective companies at providing leadership to field staff, first in terms of the five leadership traits, then in terms of the five leadership habits. Respondents selected one of the following: very poor, poor, fair, good, or excellent.

The survey indicates that the most important leadership trait, Honesty, is also where leaders do the best, as shown in Figure B-7. Respondents believe leaders show excellence in displaying Honesty. Respondents also believe leaders are worst
at displaying Humility in front line leadership, with 19% believing that leaders are poor or very poor at leading with Humility. If one believes in the servant leadership style built upon Humility displayed by Collins’ great leaders, then this statistic is a bit disturbing, and a shift in thinking might be required. Figure B-8 shows a full histogram of the responses to this question with total average scores.

Figure B-9 shows how respondents view leaders’ effectiveness at displaying the five leadership habits. Though there is no clear standout in terms of excellence, respondents clearly feel leaders do a poor job of spending the time to get to Know Their People, which is correlated to the respondents’ belief that leaders do a relatively poor job of spending time in the field. Figure B-10 shows a full histogram of the responses to this question with total average scores.

**Efficacy in Terms of Leadership Traits and Habits – Deep Dive.** The next part of the survey was a series of multiple questions asking respondents to again rate the efficacy of front line leadership in their organization, but this time the questions were more specific. Each trait and habit was broken into 2 or 3 behaviors, and respondents were asked to state whether the front line leaders in their organization exhibit certain behaviors never, rarely, sometimes, often, or always.

Figure B-11 shows the set of questions related to the leadership traits, and how respondents rated leaders in their organizations. Behaviors related to Honesty and Persistence generally receive high marks. On the other hand, respondents believe leaders rarely or never give credit when things go right, and they do not take blame when things go wrong. Roughly the same percentage believes leaders seek to elevate themselves in front of others through bragging. The three behaviors related to Self-awareness—being aware of one’s impact on others, adjusting behavior based on feedback, and actively seeking feedback—received the lowest scores, perhaps indicating leader behavior does not reflect the pursuit of healthy Self-awareness.

Figure B-12 shows the results to the set of questions related to the leadership habits. Respondents believe leaders do well Leading by Example; with a high percentage of respondents believing that leaders embody the rules and standards they impose on others. However, when asked if leaders Lead From the Front by spending time in the field making first hand observations, one fourth of respondents stated “never” or “rarely”, and over half believe front line leaders do not go to the field enough. A significant number of respondents believe leaders rarely or never spend one-on-one quality time with folks in the field.

Executives paint the rosiest picture of front line leadership in their organizations while the technical staff seems to be the most disappointed in their own leadership efforts. Figure B-13 illustrates this point, showing the deviation from the mean score across all efficacy questions for each group. One possible explanation is that executives bias their responses because they want to believe things are better than they are. Their separation from field operations may feed the disconnect. On the other hand, perhaps executives truly believe their front line leaders are doing a good job. They see young technical leaders handling it the same way they did when they were front line leaders. This type of thinking has the potential to perpetuate bad leadership models.

Table A-5 shows all 25 questions ranked together in order of highest to lowest average score, with the percentage deviation from the group average shown as well. The four behaviors with the greatest percentage deviation from the mean were related to Leading From the Front and Self-awareness. Leaders do not spend enough time in the field with foremen and superintendents, and they generally do not seek formal feedback or adjust their behavior in response to unsolicited, informal feedback. Respondents believe strongly that above all else, leaders are truthful even when it is not pleasant, which is an encouraging statistic.

**Conclusions**

The US oil and gas industry will have to overcome numerous challenges in order to achieve energy independence. Some we already know about—like the problem with public perception and our social license to operate—but other unknown challenges lay ahead of us. Solving complex problems requires great leadership, and the generation gap leaves us with an abnormal shortage of experienced leaders. With oil and gas stocks rising, many baby boomers will again consider retiring. The relationship between technical staff and field staff is critical, and it is this interaction during young professionals’ early careers that strongly influences how they will approach leadership as they take on new roles and responsibilities. The military provides good examples of how to approach this foundational front line leadership experience, and this paper presents one military-influenced model of traits and habits that boils leadership down to simple concepts.

The survey presented here indicates oilfield professionals believe Honesty is the most important front line leadership trait, and front line leaders exhibited excellence in leading honestly. The strength of Humility is often overlooked and underestimated as a powerful leadership tool in contemporary society that glorifies other-than-humble behavior. Self-awareness is considered important, but front line leaders are not Self-aware, nor do they seem to be pursuing Self-awareness. In terms of leadership habits, the survey indicates that we believe Leading by Example is important, and we believe we are pretty good at it. But young technical professionals should spend more time in the field to connect with field staff and to gain better hands-on perspective.

Front line leadership has never been a huge focus of our industry, with most leadership training targeted to first-time managers and executives, but today’s executives will find the solution to many of today’s problems is the simple reinforcement of a sound leadership model among its front line leaders. Perhaps most important, the leadership model we teach young leaders will heavily influence how they handle bigger problems they will face in the decades to come.
Acknowledgements
Thanks to my 102 oilfield friends and associates who took time during the 2012 Holiday Season to fill out my survey. Thanks also to my mentors during my front line leadership experiences (all of whom are Veterans of one war or another): Ryan McCormack, Mike Hilliard, and Mike O’Kelley.

References


## Appendix A - Tables

### Table A-1 - Survey Respondent Demographic: Sex, Age & Experience – 102 Total Respondents

<table>
<thead>
<tr>
<th>Sex</th>
<th>Percent</th>
<th>Count</th>
<th>Age</th>
<th>Percent</th>
<th>Count</th>
<th>O&amp;G Experience</th>
<th>Percent</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>90.0%</td>
<td>91</td>
<td>Under 40</td>
<td>53.9%</td>
<td>55</td>
<td>Under 10 Years</td>
<td>41.2%</td>
<td>42</td>
</tr>
<tr>
<td>Female</td>
<td>10.0%</td>
<td>11</td>
<td>Over 40</td>
<td>46.1%</td>
<td>47</td>
<td>Over 10 Years</td>
<td>58.8%</td>
<td>60</td>
</tr>
</tbody>
</table>

### Table A-2 - Survey Respondent Demographic: Education & Company Description – 102 Total Respondents

<table>
<thead>
<tr>
<th>Education</th>
<th>Percent</th>
<th>Count</th>
<th>Company Description</th>
<th>Percent</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than bachelor degree</td>
<td>19.6%</td>
<td>20</td>
<td>Exploration &amp; Production Company</td>
<td>61.8%</td>
<td>63</td>
</tr>
<tr>
<td>Bachelor degree</td>
<td>52.0%</td>
<td>53</td>
<td>Service and/or Equipment Rental Company</td>
<td>24.5%</td>
<td>25</td>
</tr>
<tr>
<td>Graduate degree</td>
<td>28.4%</td>
<td>29</td>
<td>Other (Consultants, Investors, Contractors, Academics)</td>
<td>13.7%</td>
<td>14</td>
</tr>
</tbody>
</table>

### Table A-3 - Survey Respondent Demographic: Position Description – 102 Total Respondents

<table>
<thead>
<tr>
<th>Position Description</th>
<th>Percent</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Staff (Examples include: Chief Executive Officer, Chief Operating Officer, Business Development Officer, Vice President, Director)</td>
<td>26.5%</td>
<td>27</td>
</tr>
<tr>
<td>Managerial Staff (Examples include: Area Manager, District Manager, Drilling Manager, Completion Manager, Team Lead, Operations Manager, Production Manager)</td>
<td>23.5%</td>
<td>24</td>
</tr>
<tr>
<td>Technical Staff (Examples include: Operations Engineer, Completions Engineer, Drilling Engineer, Production Engineer, Engineer I, Engineer II, Lead Engineer, Engineering Lead, Geologist, Geophysicist, Petrophysicist)</td>
<td>28.4%</td>
<td>29</td>
</tr>
<tr>
<td>Field Staff (Examples include: Field Superintendent, Field Supervisor, Field Foreman, Supervising Consultant, Well Site Leader, Well Site Supervisor)</td>
<td>21.6%</td>
<td>22</td>
</tr>
</tbody>
</table>

### Table A-4 - Some Companies Represented in Survey – 102 Total Respondents

<table>
<thead>
<tr>
<th>E&amp;P Company</th>
<th>Service / Equip Company</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anadarko Petroleum Corp</td>
<td>Eagle Energy of Tulsa</td>
<td>AquaGen Inc.</td>
</tr>
<tr>
<td>Apache Corporation</td>
<td>Hess Corporation</td>
<td>Chesapeake Oilfield Services</td>
</tr>
<tr>
<td>Approach Resources</td>
<td>Newfield Exploration</td>
<td>Cudd Pressure Control, Inc.</td>
</tr>
<tr>
<td>BHP Billiton</td>
<td>Oxy</td>
<td>Elysphere Energy Services, LLC</td>
</tr>
<tr>
<td>BP</td>
<td>Pioneer Natural Resources</td>
<td>Halliburton</td>
</tr>
<tr>
<td>Burnett Oil Co. Inc.</td>
<td>Quantum Resources Management</td>
<td>Parker Energy Services</td>
</tr>
<tr>
<td>Ceja Corporation</td>
<td>Silver Hill Energy Partners</td>
<td>PetroSkills</td>
</tr>
<tr>
<td>Chaparral Energy LLC</td>
<td>SM Energy</td>
<td>Quasar Energy Services</td>
</tr>
<tr>
<td>Chesapeake Energy</td>
<td>Southwestern Energy</td>
<td>Weatherford</td>
</tr>
<tr>
<td>Common Resources</td>
<td>Talisman</td>
<td></td>
</tr>
<tr>
<td>Continental Resources</td>
<td>Unit Petroleum</td>
<td></td>
</tr>
<tr>
<td>Devon Energy</td>
<td>Vanguard Natural Resources</td>
<td></td>
</tr>
<tr>
<td>Traits and Habits</td>
<td>Score</td>
<td>Rank</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td>1. Honesty - Tells the truth, even when it's not pleasant.</td>
<td>3.87</td>
<td>1</td>
</tr>
<tr>
<td>2. Treating people as they can and should be - Treats people with respect and</td>
<td>3.82</td>
<td>2</td>
</tr>
<tr>
<td>consideration.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Leading by example, from the front - Embodies the rules and standards he/she</td>
<td>3.81</td>
<td>3</td>
</tr>
<tr>
<td>imposes on others.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Persistence - Does not give up when obstacles obstruct progress.</td>
<td>3.79</td>
<td>4</td>
</tr>
<tr>
<td>5. Persistence - Displays hustle consistently.</td>
<td>3.68</td>
<td>5</td>
</tr>
<tr>
<td>6. Honesty - Tells hard truths in the appropriate setting and manner.</td>
<td>3.68</td>
<td>6</td>
</tr>
<tr>
<td>7. Decisiveness - Seeks counsel regarding tough decisions when circumstances</td>
<td>3.67</td>
<td>7</td>
</tr>
<tr>
<td>allow.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Humility - Seeks to learn from others whenever possible.</td>
<td>3.66</td>
<td>8</td>
</tr>
<tr>
<td>9. Decisiveness - Makes decisions after adequate information is available.</td>
<td>3.65</td>
<td>9</td>
</tr>
<tr>
<td>10. Communicating - Speaks succinctly and effectively.</td>
<td>3.64</td>
<td>10</td>
</tr>
<tr>
<td>11. Communicating - Uses email effectively in day-to-day business.</td>
<td>3.63</td>
<td>11</td>
</tr>
<tr>
<td>12. Courage - Takes ownership of personal mistakes.</td>
<td>3.61</td>
<td>12</td>
</tr>
<tr>
<td>13. Communicating - Listens carefully with the intent to understand.</td>
<td>3.58</td>
<td>13</td>
</tr>
<tr>
<td>14. Courage - Speaks up when he/she disagrees with the popular opinion.</td>
<td>3.55</td>
<td>14</td>
</tr>
<tr>
<td>15. Honesty - Tells hard truths in a compassionate manner.</td>
<td>3.52</td>
<td>15</td>
</tr>
<tr>
<td>16. Courage - Gives credit when things go right, and takes blame when things</td>
<td>3.51</td>
<td>16</td>
</tr>
<tr>
<td>go wrong.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17. Treating people as they can and should be - Sets goals that are reachable</td>
<td>3.49</td>
<td>17</td>
</tr>
<tr>
<td>while still stretching the team's capability.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18. Knowing one's people - Understands strengths and weaknesses of his/her team.</td>
<td>3.44</td>
<td>18</td>
</tr>
<tr>
<td>19. Humility - Does not seek to elevate him/herself in front of others through</td>
<td>3.43</td>
<td>19</td>
</tr>
<tr>
<td>bragging.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Self-awareness - Aware of the impact his/her actions has on others.</td>
<td>3.42</td>
<td>20</td>
</tr>
<tr>
<td>21. Treating people as they can and should be - Delegates effectively.</td>
<td>3.38</td>
<td>21</td>
</tr>
<tr>
<td>22. Leading by example, from the front - Spends time in the field making first-</td>
<td>3.16</td>
<td>22</td>
</tr>
<tr>
<td>hand observations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>23. Knowing one's people - Spends meaningful one-on-one time with members of</td>
<td>3.15</td>
<td>23</td>
</tr>
<tr>
<td>his/her team.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>24. Self-awareness - Adjusts his/her behavior based on solicited or unsolicited</td>
<td>2.99</td>
<td>24</td>
</tr>
<tr>
<td>feedback.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25. Self-awareness - Seeks feedback on his/her own performance in a meaningful</td>
<td>2.93</td>
<td>25</td>
</tr>
<tr>
<td>way.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Average:</strong></td>
<td>3.52</td>
<td></td>
</tr>
</tbody>
</table>
Appendix B – Figures

Figure B-1: The Decision Curve, as explained by Joe B. Foster, founder of Newfield Exploration, during a speech. The Decision Curve compares the cost of getting more information to make a decision against the probability of a correct decision. There are two “stupid ends”. On the left, there isn’t enough information to make a decision. On the right, the decision-making process reaches diminishing returns.

![The Decision Curve](image-url)
Figure B-2: Shows the number of survey responses indicating that a trait is the most or least important. So here, 56 respondents indicated that Honesty is the most important leadership trait, while 42 indicated that Persistence is the least important.

"Most Important" Votes versus "Least Important" Votes for Leadership Traits

Figure B-3: Histogram of responses to a survey question asking respondents to rank order leadership traits in order of importance. The figure also shows the average rank of each leadership trait.

Leadership Traits - Relative Importance
Histograms and Average Scores
Most Important = Score of "5"; Least Important = Score of "1"
Figure B-4: Shows the number of survey responses indicating that a habit is the most or least important. So here, 40 respondents indicated that Leading by Example from the Front is the most important leadership trait, while 41 indicated that Decisiveness is the least important.

"Most Important" Votes versus "Least Important" Votes for Leadership Habits

Figure B-5: Histogram of responses to a survey question asking respondents to rank order leadership habits in order of importance. The figure also shows the average rank of each leadership habit.

Leadership Habits - Relative Importance
Histograms and Average Scores
Most Important = Score of "5"; Least Important = Score of "1"
Figure B-6: Shows the percentage of responses indicating that a habit is the most important. The figure compares the responses of field staff versus the combined responses of all others, which includes executive staff, managerial staff, and technical staff.

Percentage of Respondents Stating a Habit is Most Important, Field Staff versus Others

<table>
<thead>
<tr>
<th>Leadership habits</th>
<th>% of Respondent group selecting habit as most important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leading by example, from the front</td>
<td>45%</td>
</tr>
<tr>
<td>Communicating</td>
<td>15%</td>
</tr>
<tr>
<td>Decisiveness</td>
<td>25%</td>
</tr>
<tr>
<td>Treating people as they can and should be</td>
<td>10%</td>
</tr>
<tr>
<td>Knowing one's people</td>
<td>5%</td>
</tr>
</tbody>
</table>
Figure B-7: Shows the number of survey responses indicating that the efficacy of a leadership trait exhibited by managerial and technical staff toward field staff is excellent or poor. So here, 34 respondents indicated that leaders are excellent at Honesty, while 19 indicated that they are poor or very poor at displaying Humility.

Efficacy of Leadership Traits, Managers/Technical Staff to Field Staff

Figure B-8: Histogram and averages of responses to the following survey question: “How effective are managers and technical staff in your company at providing leadership to field staff in terms of the leadership habits listed below?”

Leadership Traits - Efficacy
Histograms and Average Scores
1 = Very Poor, 2 = Poor, 3 = Fair, 4 = Good, 5 = Excellent
Figure B-9: Shows the number of survey responses indicating that the efficacy of a leadership habit exhibited by managerial and technical staff toward field staff is excellent or poor. So here, 17 respondents indicated that leaders are excellent at Decisiveness, while 21 indicated that they are poor or very poor at Knowing One’s People.

Efficacy of Leadership Habits, Managers/Technical Staff to Field Staff

Figure B-10: Histogram and averages of responses to the following survey question: “How effective are managers and technical staff in your company at providing leadership to field staff in terms of the leadership habits listed below?”

Leadership Habits - Efficacy
Histograms and Average Scores
1 = Very Poor, 2 = Poor, 3 = Fair, 4 = Good, 5 = Excellent

Leadership Habits - Efficacy
Histograms and Average Scores
1 = Very Poor, 2 = Poor, 3 = Fair, 4 = Good, 5 = Excellent

Figure B-10: Histogram and averages of responses to the following survey question: “How effective are managers and technical staff in your company at providing leadership to field staff in terms of the leadership habits listed below?”

Leadership Habits - Efficacy
Histograms and Average Scores
1 = Very Poor, 2 = Poor, 3 = Fair, 4 = Good, 5 = Excellent

Leadership Habits - Efficacy
Histograms and Average Scores
1 = Very Poor, 2 = Poor, 3 = Fair, 4 = Good, 5 = Excellent
Figure B-11: Shows the percentage breakout of survey responses indicating that leaders exhibit certain types of behavior associated with the 5 leadership traits “Often or Always”, “Sometimes” or “Rarely or Never”. So here, 76% of respondents indicated leaders often or always tell the truth, even when it is not pleasant.

**Leadership Behavior Related to the Leadership Traits**

- Tells the truth, even when it's not pleasant: Often or Always 76%, Sometimes 24%, Rarely or Never 0%
- Tells hard truths in the appropriate setting and manner: Often or Always 80%, Sometimes 20%, Rarely or Never 0%
- Does not give up when obstacles obstruct progress: Often or Always 90%, Sometimes 10%, Rarely or Never 0%
- Displays hustle consistently: Often or Always 60%, Sometimes 30%, Rarely or Never 10%
- Seeks to learn from others whenever possible: Often or Always 70%, Sometimes 20%, Rarely or Never 10%
- Takes ownership of personal mistakes: Often or Always 70%, Sometimes 20%, Rarely or Never 10%
- Seeks feedback on his/her own performance in a meaningful way: Often or Always 70%, Sometimes 20%, Rarely or Never 10%

Figure B-12: Shows the percentage breakout of survey responses indicating that leaders exhibit certain types of behavior associated with the 5 leadership habits “Often or Always”, “Sometimes” or “Rarely or Never”. So here, 74% of respondents indicated leaders often or always treat people with respect and consideration.

**Leadership Behavior Related to the Leadership Habits**

- Treats people with respect and consideration: Often or Always 80%, Sometimes 20%, Rarely or Never 0%
- Embodies the rules and standards he/she imposes on others: Often or Always 60%, Sometimes 30%, Rarely or Never 10%
- Seeks counsel regarding tough decisions when circumstances are uncertain: Often or Always 75%, Sometimes 25%, Rarely or Never 0%
- Makes decisions after adequate information is available: Often or Always 80%, Sometimes 20%, Rarely or Never 0%
- Speaks succinctly and effectively: Often or Always 85%, Sometimes 15%, Rarely or Never 0%
- Uses email effectively in day-to-day business: Often or Always 70%, Sometimes 20%, Rarely or Never 10%
- Listens carefully with the intent to understand: Often or Always 80%, Sometimes 20%, Rarely or Never 0%
- Sets goals that are reachable while still stretching the team’s performance: Often or Always 75%, Sometimes 25%, Rarely or Never 0%
- Understands strengths and weaknesses of his/her team: Often or Always 80%, Sometimes 20%, Rarely or Never 0%
- Delegates effectively: Often or Always 70%, Sometimes 20%, Rarely or Never 10%
- Spends meaningful one-on-one time with members of his/her team: Often or Always 70%, Sometimes 20%, Rarely or Never 10%
- Spends time in the field making first-hand observations: Often or Always 60%, Sometimes 30%, Rarely or Never 10%
Figure B-13: Shows the deviation from the group mean score for all leadership efficacy-related questions by each category of job title.