

[performance]

skill-based pay training and certification

Proprietary tools create a successful, commercially marketed training and competency program for all of Shell Offshore's Gulf of Mexico production operations

procedures development

skill-based pay training and certification

strategic competency programs

curriculum development

employee communications

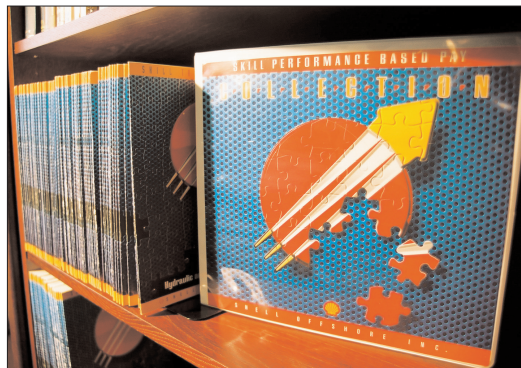
marketing communications

training processes and software

Supporting multi-skilled operations teams

In the mid-1990s, Shell Offshore Inc. chose to deploy multi-skilled operations teams as a part of their Gulf strategy. Multi-Skilling was expected to increase operations reliability at the same time it produced staffing efficiencies of 40 percent or more.

The teams for each asset were selected during asset design and worked with suppliers and contractors through engineering, construction, commissioning and ongoing operations. Each asset represents several billion dollars and is run entirely by the teams. The level of autonomy these teams have, and the breath and level of skills they must master are unprecedented. To make sure the necessary competencies would be in place, Shell explicitly tied skill acquisition to compensation through a skill-based pay program.



The Shell Skill Performance Based Pay Qualification Manual and training modules. The program is available through Shell Offshore's Robert Training Center in Louisiana.

Proprietary development tools make sure Shell received full program value
Shell had built out their compensation scheme and the skeleton outline of the skill structure when they began work with Daniel Follette, Inc.

Shell quickly recognized that the precise scope and quality of skill definitions would be absolutely critical to program success. Skills clearly define job expectations for employees. Skills direct employee activities toward the exact tasks they must perform. Skill verification enables the company to confirm the competency of individual employees.

Turnkey Engagement Scope

Daniel Follette, Inc. provided customized versions of the company's Repertoire™ work processes, SkillForge™ development software and consulting teams to build the core skills and training needed for all work in the Gulf of Mexico. The firm also provided comprehensive plan documentation, employee communications and orientation. Software to manage training logistics and advancement tracking was a final component of the consulting package.

After an initial pilot, the firm ramped up full-scale development with approximately five content specialists/developer teams working simultaneously. Daniel Follette personnel also managed data input, development tracking and a reference library.

Results

In slightly over a year, the teams developed skills and criteria, training and testing and certification tools for 14 skill areas ranging from entry-level orientation and safety skills to electronics, ship-handling and interpersonal skills.

The teams defined over 3,000 tasks that represented the operations work repertoire in the Gulf of Mexico. They defined over 3,000 skills supported by over 10,000 performance criteria that further refined the skills. (The similarity

between the number of tasks and number of skills was strictly a coincidence and does not reflect direct one-to-one task/skill correspondence. Generally, individual skills apply to a number of tasks.)

The teams reviewed almost 2,400 training resources and were able to reduce the number needed to approximately 150. The teams built training activities and modules for every skill. About 900 activities involved guided, task performance training.

Shell has since marketed the program to the industry as a part of the curriculum at Robert Training Center.

Signal Accomplishments

In addition to program deliverables, the engagement provided several significant benefits for Shell. They include:

- Ensuring the company received full return on wages by providing comprehensive and meaningful skills definitions.
- Increasing operations reliability by making certain all core tasks were covered by requisite skill.
- Greatly reducing the cost of training development, certification and ongoing program management.
- Increasing employee buy in through intelligent communications and extensive field involvement

Program observations

Here are some things that the engagement revealed:

- The quality and comprehensiveness of skill definitions is absolutely critical to a meaningful program.
- Comprehensive communications and involvement are essential to employee buy in.
- Communications should include a carefully planned rollout.

Additional Information

- To learn more about effectively tying compensation to performance expectations, request the white paper, *Design Rationale for Skill-Based Compensation*.
- For more information about defining critical enterprise competencies, request the white

paper, *Strategic Repertoire Analysis*.

- To see SkillForge software in more detail request the white paper, *SkillForge Performance Information System : Input/Output*.
- *Support Systems for Skill-based Pay*, a paper delivered at the Seventh Annual International Conferences on Work Teams described some of the quality standards and systems requirements for successful skill-based pay and multi-skilling programs.
- For an enterprise view of operations competencies and training for E&P firms, request *How strategic personnel development can reduce operations costs*, a white paper by Daniel Follette that originally appeared in the *Oil & Gas Journal*, November 12, 2001.

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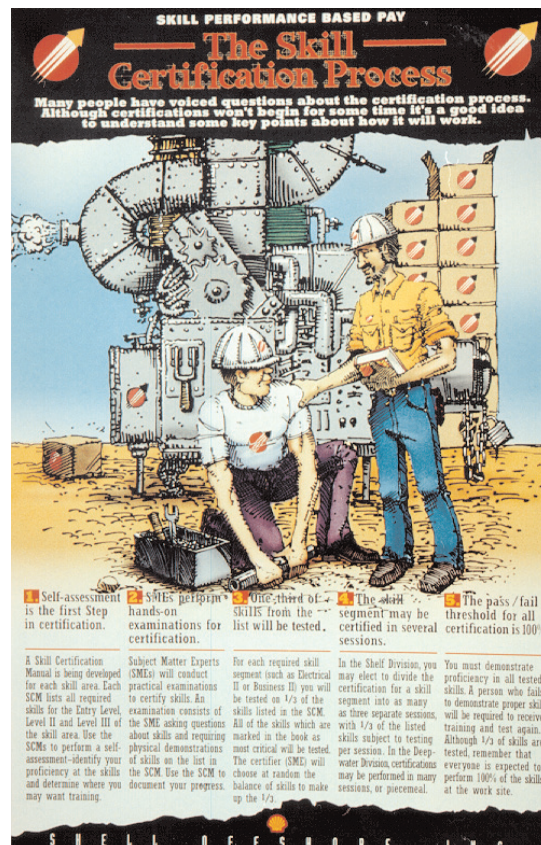
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Comprehensive program communications were critical to the success of the program. Elements included informative posters, such as the one above; frequent newsletters; employee program guides; supervisor instructions; and employee personal advancement planning charts.

Communications began as soon as program development was initiated. As many different personnel as possible were cycled through the program as content specialists to create a group of informal sponsors.