

# OPITO - The Oil & Gas Academy - Summary

## Management styles in the oil and gas industry

### Introduction

OPITO - The Oil & Gas Academy is the focal point for skills, learning and development for employers in the oil and gas industry. This case study looks at its use of different management styles to support the variety of job roles within this industry.

### Management and leadership

Management is about getting things done. Managers work in different ways to achieve many diverse and often specific objectives. Theorist Henri Fayol said that management had the following elements:

- planning
- organising
- commanding
- co-ordinating
- controlling.

Leadership differs from management: it includes the skills and qualities required to inspire others to achieve goals. Leaders suggest (sometimes unusual) solutions. They have a positive attitude, tend to be creative, are often experts in a field and can sense and respond to change. Many managers are also leaders.

### Management style

All managers have objectives, which their staff help to achieve. Management style is important in getting the best out of staff. Douglas McGregor found that managers were one of two types:

- Theory X managers feel workers are naturally lazy, motivated by money and avoid responsibility.
- Theory Y managers feel workers enjoy work, are ambitious, like to make decisions and are motivated by factors such as esteem.

Each theory has an effect upon the management style adopted. In the oil and gas industry a variety of management styles may be used in different contexts.

### Autocratic and democratic management

Autocratic management is where decisions are made at a higher level without consultation or input from people below. An autocratic manager decides what is best and instructs others. This style is often necessary in the oil and gas industry for safety reasons.

Democratic management tries to use employees' opinions before reaching decisions. For example, OPITO – The Oil & Gas Academy uses an employer-led Skills Forum to get feedback from people in the industry. This ensures its work is aligned to the needs of the workplace. Here the Academy uses a proactive democratic style by providing current and relevant information about its work. It then uses a responsive democratic style by evaluating requirements for skills and training that address the needs of the industry.



## Paternalistic

Sometimes managers need to adopt a paternalistic style. This means they have employees' best interests at heart. They may make decisions without consultation or participation. However if decisions are presented this way, employees are less likely to feel unhappy about it. OPITO – The Oil & Gas Academy responds to the individual learning needs of each employee, at times using a paternalistic style. This helps all staff to develop and grow and see that management gives them trust as well as rewards.

## Conclusion

The oil and gas industry employs people in a wide variety of roles. In managing such a diverse range of staff, appropriate management styles are vital. To provide an ongoing supply of people, OPITO – The Oil & Gas Academy helps to encourage young people to consider the oil and gas industry as an exciting career choice. It also ensures that industry standards reflect the needs of the workplace.

