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#### VINTAGE WINE

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The blue-eyed boy of R & D is disillusioned about his future at a company which prioritizes research. What could be the cause of this disillusionment? Is it a cause for concern?

## A Phone Call from Down Under

Ring... ring... ring. "Who the hell could be calling at this hour?" grumbled Molly. It was almost two in the morning and she had had a late night out with her colleagues. Nonetheless, she rushed out to the sitting room to pick up the phone. "It could be an emergency," she thought sleepily.

"Hello, is that you Molly? This is Mathias. I'm calling from Adelaide."

"What time is it in Adelaide? It is almost two in the morning here. Are you ok?" Molly asked, trying to rub the sleep from her eyes.

"Sorry for calling you at this wee hour. It is just that I can't sleep. I have decided to leave Ocean Deep." Mathias sounded apologetic with a tint of stress in his voice.

"What? I thought you love your job!" Molly exclaimed, her sleepiness gone in a flash.

"I do. I did. Well, it's just that things have changed and I am not sure about my future here." Mathias said, before recounting recent events, which led to his current disillusionment about his career at Ocean Deep.

#### The Pillar of Strength

When Molly put down the phone an hour later, she could not sleep. Mathias, her eldest brother was the pillar of strength for everyone. He had left home at 17 to pursue his studies in England. He had won a Colombo Plan scholarship to study medicine in one of the top universities in the UK. He did his family, his people and his country proud. Mathias, a poor native of a fast disappearing tribe, earned first class honours, and was awarded several academic awards, one from Her Majesty the Queen. He then went home to serve at a hospital in his country. Two years later, he was offered a scholarship to do his PhD in Medical Science. It was an offer he could not reject. He had not even gone through the Masters Program. An offer to do his PhD based on his first-degree result was indeed an honour. It inflated his ego. Furthermore, he had married a French girl two years ago. Going back to England would mean being closer to home ground for her. It had not been easy for the Madame to adjust to his Asian culture. Although Mathias' family are pretty westernized in their outlook, Marion found the weather too hot and their small apartment a bit too cramped for little Michelle to crawl about. However, Marion never complained. She knew what she bargained for when she married Mathias. Her conservative upbringing also helped her blend in nicely.

After the birth of Pierre six months later, off to England they went. The next four years were productive. Mathias again graduated top of his class and the family grew into six with the birth of Alex and Zoe. When Mathias came back to serve his country again, he was financially challenged. With a big family and meager wages it was difficult to make ends meet. Besides that, as the eldest brother he had to help financially. After about three years, he took up a position in an oil company. He made a full career turn, from the hospital to the oilrig. The eagle was set to soar. His forte in mathematics helped him greatly (he claimed that 2<sup>nd</sup> year Mathematics is ample to solve many optimization problems.) His first big break made him an Asian expatriate in Australia, which is quite an accomplishment! He bought his first house in Melbourne. It was modest by Australian standard but for Mathias having a swimming pool and a beautiful garden was really a sign of having arrived.

Then, better offers came by. He moved on to Queensland and finally to Adelaide, where he headed the R& D department at Ocean Deep. After five years and millions of savings for the company through breakthroughs in optimization methods, Mathias was seconded to a sister

company- Oilpower- in Europe. It was a dream-come-true for Mathias. He was able to do what he wanted most to do – to work with some of the best brains in the world. He was to initiate, identify and supervise research initiatives in global optimization. The job entailed extensive travel to all four corners of the world. He worked with professors and researchers in America, Western Europe, Russia, Africa and Australia. As one of his research projects was in Adelaide, he made it a point to keep updated on company matters during his supervision trip. It was during one of those trips that he made the wee hour phone call to his sister and confidante, Molly.

## A Pot of Gold at the End of the Rainbow

Mathias pushed the fifth floor button slowly, feeling a little nostalgic. Life at Ocean Deep was much more relaxed compared to his current jet-setting career. He would arrive at work before seven thirty and head home at four o'clock sharp in the evening. His duty as Head of R& D was focused on projects undertaken as joint venture with four of the local universities. The job was challenging and Mathias totally enjoyed coming to work each day. Some of their initiatives saw huge improvements in drilling methods, which meant huge savings in operation costs of production. Mathias' contribution was duly recognized and he was awarded the coveted Technical Man of the Year award for three consecutive years. His late father's smiling face came to mind as he recollected those proud moments when he received the awards. His late father would have been so proud of him! He recalled the time when he was seven and his father and him saw a rainbow on their way home from the farm. It was a common belief among his people that seeing a rainbow would bring good luck. They believed that there is a pot of gold at the end of the rainbow. The breaks he had been getting in his career, family life and finance must be that pot of gold promised him when he saw the rainbow when he was seven! Mathias toyed with this illogical reasoning. As a scientist, he knew there was no scientific basis for this belief but it was nice to take things at face value sometimes.

The door of the lift opened and he stepped out. Edith, the jovial receptionist greeted him with much warmth in her voice.

"It's so good to see you again. Heard you've been doing lots of good things abroad. Are you back for good?" "Nice to see you, too. I don't know when I'll be back for good. I'm here to talk to John about that." replied Mathias.

"I am so sorry but John's said he had something to attend to and he told me to ask you to talk to Charles Gerziak, our new Human Resource Manager." said Edith as she ushered Mathias towards Charles' cubicle.

Mathias felt disappointed for he had set an appointment to see John Furgeson. It was not like John to cancel an appointment without calling. Nevertheless, his spirit was uplifted when he met Charles. Like most HR personnel, he was charming and had abundance of enthusiasm. He was not quite forty and had just moved in from Ocean Deep's office in Japan to take over John's job. John has been assigned as a headhunter to scout for new staff.

Charles briefed Mathias on the latest updates on Ocean Deep's corporate strategy. In addition to the usual focus on maximizing shareholders' returns through profitable business growth, Ocean Deep had decided to focus on capturing greater market share by penetrating the West Asian market. The way forward was to focus on cutting-edge technology which could lower production cost. In other words, optimization was a major part of the game plan! Charles mentioned that Mathias' temporary absence was very much felt at Ocean Deep. Ocean Deep needed an experienced researcher to lead the R& D to greater heights. Mathias left Charles's office feeling a little confused. He was fully aware that he would have to come to Ocean Deep when his secondment contract was over. However, thus far, he had received nothing in black and white about his coming back to Ocean Deep. Mathias wondered how much weight does Charles' PR talk carry? As he walked down the front steps of the ultra modern Ocean Deep building, his mobile phone rang. It was John.

### **Clearing Out the Deadwood**

John was sitting at the table by the window when Mathias walked into the elegant Bombay Palace Restaurant. The fragrant smell of the Briyani Rice and Tandoori Chicken permeated the air. A little flushed, John shook Mathias' hand, pressing much harder than usual. His palms were sweaty! "Thanks for coming, Mathias. I have a lot to tell you. Things have really, really changed at Ocean Deep." said John as he started the conversation.

In between spoonfuls of buttered rice and tantalizing Chicken Kheema, John filled Mathias in on where he thought Ocean Deep was heading. Apparently, many new faces had come in to fill in the posts held by people perceived to be above their prime. The HR division justified that it was cheaper to hire less experienced people for most management jobs. Thirteen managers were offered early retirement packages! Three researchers at R& D had all opted to retire early. Their projects had had no major breakthroughs and they were disillusioned. Others were reassigned to positions with catchy titles but less challenge. Why, even John who once headed the HR department was given the new title "Headhunter" for the smaller Business Development Unit!

"They don't want us anymore, Mathias. We're dead wood." said John, ending his recount of what had transpired since Mathias and he last met.

As they slowly ate the delicious *kulfi*, their favourite dessert, John advised Mathias to opt for a retirement package. In his opinion, both their days at Ocean Deep were numbered. Mathias pitied John. He seemed to have lost the will to work. The last time they met, John had been full of enthusiasm as he talked about Ocean Deep's plans to diversify their products and services. He was not the John he used to know! Nonetheless, Mathias knew that he had to treat John's advice seriously. After all, he had been with Ocean Deep for almost thirty years. If anyone should know where Ocean Deep was heading, it would be John!

# Good Wine Needs No Bush

When Mathias reported for duty in Europe, he sought the advice of Joachim Castell, the Program Manager for Primary Recovery Optimization. Joachim advised Mathias to write to Ocean Deep formally to seek clarification. Meanwhile, Joachim promised to update the Vice President of Technical, Research and Development on Mathias' achievements thus far and request for an expatriate extension for him.

Joachim told Mathias that he should not fear the future. His rating as a researcher was superb and his achievements had contributed tremendously to the profitability of the organization. Their conversation ended with Joachim reassuring Mathias that good wine needs no bush.

## To Write or Not To Write

Mathias' shares at Ocean Deep would be enough to sustain a comfortable early retirement should he cash out. Besides that, all his children except for Alex were already working. Alex was in fourth year at Law School. Both the mortgages of their houses in Melbourne and Adelaide were paid-off. The house in Melbourne was earning high rental returns too. His wife Marion had also agreed to retire in his home country as the cost of living was much lower there. His sister Molly had also talked about lucrative consultancy projects in oil and gas in his home country.

After weighing all the pros and cons, Mathias concluded that he really had nothing to lose if he wrote that letter of clarification as advised by Joachim. Mathias trusted Joachim whom he considered a wise and warm-hearted individual. "If all went well, he must have a round of drinks with Joachim," he thought.

# The Top Guns Meet

The CEO of Ocean Deep called for an emergency management meeting. The letter from Mathias had to be deliberated upon immediately. He was the strong link between Ocean Deep and the industry. His secondment to the prestigious research centre at Ocean Deep's sister company-Oilpower, one of the biggest oil company in the world, besides reaping business benefit through optimization of production, was to maintain industrial goodwill. The participation of a competent researcher had boosted the image of Ocean Deep. Besides that, Ocean Deep had access to all the related research findings.

Ocean Deep was a leading company in oil exploration and production. It had operations on five continents with a market capitalization of more than \$10 billion. Its activities included exploration, development of oil and gas products, production of platforms, floating

production systems, and gas plants for liquefied natural gas, crude oil condensate, natural gas and liquid petroleum gas, marketing oil and gas products, and conducting research on new technology and alternative energy.

Samuel Rinaker was deeply concerned about the situation. As Managing Director and CEO of Ocean Deep for the last six years, he knew that the edge in technology was the way to go forward. In the last three years, R& D was top priority. Thus, it was disturbing to hear that the blue-eyed boy of research at Ocean Deep had sent in a letter to enquire about his job status. What bothered him most was the fact that Mathias was made to believe that there was plan to cut down on research activity. How did he come to that conclusion? It was so unlike Mathias, a scientist in the true sense of the word – totally committed to his vocation. The few times that they had met, he had always stressed the fact that the working environment at Ocean Deep was most conducive and challenging. Samuel had personally recommended his secondment to Europe, knowing well that it would benefit Ocean Deep and would further motivate Mathias, a staff Samuel regarded as Ocean Deep's vintage wine. Samuel was glad that Mathias had personally written to him. Work aside, they maintained a warm relationship. It was impossible to not admire Mathias. He was brilliant, humble and his passion for his field made him a prized staff. His innovations contributed so much to the profits and growth of the company. Samuel had over forty years in the oil and gas industry. He had seen how the advancement of technology has improved profitability. Though he was not an engineer by profession, as a finance expert, he knew the value of brain power. He stressed on the fact that human assets must be managed well and appreciated.

Samuel delivered a long speech about staff being the bloodline of an organization. The head of divisions listened respectfully as they contemplated what decisions to make. They repeatedly read Mathias' letter to Samuel and some redirected e-mails from Oilpower.

## **DOCUMENT 1 – extract of Mathias' letter.**

During my last trip to supervise a project in Adelaide, I enquired about my job prospect as a researcher at Ocean Deep when I return from my four-year stint in Europe. My discussion with two HR personnel had left me feeling uncertain about my future at Ocean Deep. There were two conflicting views about the future of R&D at Ocean Deep. Somehow, I was given the impression that my expertise may not be needed at Ocean Deep and I may be redundant when I return. As my main interest is R& D, I intent to spend the remaining years of my career doing global optimization. I have consulted the HR department at Oilpower and they are supportive of my intention to remain in R&D (please refer to the e-mail attached).However, before I accept their invitation to work for their company on contract basis, I wish to clarify Ocean Deep and would prefer to serve the organization if there is a future in R& D.

# **Document 2 – Oil Power's E-Mails**

-----OriginalMessage-----From: De Vries, Eelco Eelcodevries@oilpower.com To: Castell, Joachim, cjoachim@oilpower.com Sent: Sat Oct 15 10:40:07 2014 Subject: RE: Mathias Namabula's expat extension

Joachim, I agree to a three year extension for Mathias.

Dr. Eelco De Vries Vice President Technical, Research & Development Oilpower International Exploration and Production Tel: +2180227 8565 Fax: 6080 > > Email: Eelcodevries@oilpower.com

Original Message-----From: Castell, Joachim, cjoachim@oilpower.com Sent: 14 October 2014 16:59 To: De Vries, Eelco Eelcodevries@oilpower.com Subject: Mathias Namabula's expat extension

Eelco - please read below the business and technical reasons justifying Mathias Namabula's recommended expat extention:

Mathias Namabula has been very active and productive in starting the global optimization R&D, an area with great potential business impact that has been ignored in and outside Oilpower until now. At this moment, his R&D activities are starting to deliver results. Mathias Namabula's is the key person in this R&D and it most likely will stop or lose critical mass should he leave. It should be noted that finding suitable people to work in R&D has proven difficult recently. There is a high probability that Mathias would not be able to continue this work at Ocean Deep, as Ocean Deep is reducing its R&D budget.

Joachim

Joachim Castell

Program Manager Primary Recovery Optimization, Oilpower Corporation

When he had finished his speech, Samuel looked deeply into the eyes of each of the heads present. Then, he said:

"This may well be a small matter which involves one member of our staff, albeit an important one. Mathias is the technical backbone of our organization. Among others, one of his software applications for upstream activities saved us millions of dollars in our exploration activities in Vietnam and Sudan. His current research activities are showing promising outcome. We can treat his insecurity with indifference. Or, we can do a thorough investigation and see whether his disillusionment is really a result could be a good time for us to of the way we do things around here. This check the implementation of our and see how strategic intent it is operational level. How should we deal with this issue?" interpreted at the