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Opinion Climate change

Stigma is costing oil and gas majors their staff

Companies need detailed transition plans to retain essential specialised staff

MARGARET HEFFERNAN



Young people, educated about the climate crisis and terrified about what it means for their future, are a big influence on the adults in their lives © Ben Stansall/AFP/Getty Images

Margaret Heffernan MAY 30 2022

The writer is the author of 'Uncharted: How to Navigate the Future'

Last Monday, Caroline Dennett, a safety consultant at Shell, published an excoriating resignation email, saying she could "no longer work for a company that ignores all the alarms and dismisses the risks of climate change and ecological collapse". New exploration projects belied the company's commitment to Net Zero, she said, and she urged fellow workers in the industry to follow her before it was too late. The next day, addressing graduates of Seton Hall University in New Jersey, UN secretary-general António Guterres pleaded with them not to work "for climate wreckers".

The coincidence of the calls wasn't planned but it feels like a sea change, with workers anxious that staying in the sector now poses too great a risk to their careers and their consciences.

Dennett <u>was criticised</u> for her move but she also received what she calls an "outpouring of positivity" from many in the industry. She claims that retention is a big problem and manpower levels already cause for concern. This is dangerous, because if companies are going to decommission oil rigs and refineries, they need the expertise of an experienced, highly specialised workforce.

Why is retention such an issue? People are leaving because they say they can't see their careers developing, they fear reputational damage or can't square the work with their values. Veterans and newcomers alike are increasingly attracted to new businesses developing renewable technologies like earbon capture which don't

carry the stigma of oil and gas majors.

Wilful blindness to this problem perpetuates fear and silence. At Shell, where Dennett surveyed 20,000 people and gathered half a million words of open feedback, she found a "startling" lack of conversation about net zero. "Such talk might occur in the boardroom, in the PR department, in the marketing and branding departments," she said, "but in the operations where it matters, I've not heard it. Leaders in management communicate their commitment to safety through actions, not just words. If you're not doing it, then it's not happening."

Employees' anxieties can only be addressed by an action plan for change. Energy generator SSE has published its <u>Just Transition strategy</u>, which lays out how it intends to retrain staff and support the communities in which they operate. But for most in the oil and gas industry, lack of such detail is a source of scepticism and fear.

If you work in fossil fuels, it's impossible not to feel rising public fear and anger about the <u>climate crisis</u>. This is not coming only from protests and activists. A big influence on adults is their children, educated about the climate crisis, and terrified, frustrated and depressed by the bleak future it portends. One industry veteran who retired quietly had had his mind changed as he drove his daughter to an Extinction Rebellion protest. She drew a picture of the planet as it could be — healthy and flourishing — and as she saw it: polluted and stripped of biodiversity. That, she said, was what his company was doing.

Such stories might feel anecdotal but are consistent with <u>academic research</u> showing that teenage daughters are a big environmental influence on white conservative men. Earlier this month, chief executives, unions and activists at a conference hosted by the UK's Royal Society agreed that there was no escaping the pressure to change. Coherent, detailed environmental, social, and governance strategies might wax and wane among investors but pressure from families and the streets would prove inexorable.

This is not just an issue for energy companies. Any business without a transition plan risks sowing doubt and disengagement in their workforce. The more that grand words and pledges proliferate, the more leaders lose their credibility. Only action now will convince their workers — while they still have them.

Climate Capital



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