

Harnessing Human Capital



In 2005, the Group invested significant efforts and resources to grow and strengthen its human capital. The Company recognises that a competent and high performing workforce is a key competitive advantage to sustain corporate success. The upturn in the oil and gas industry has put increasing pressures on attracting and retaining the high-performing and high potential human resources necessary to fuel the Group's growth. Nevertheless, SPC was able to continue to attract talented individuals to its workforce. Throughout the year, the Group tapped the market for individuals with excellent academic and relevant work experience to grow its talent pool.

SPC is sharply focused on growing and developing its people to their maximum potential to meet the challenges ahead. During the year, the Company provided both inhouse and external training courses to build the capabilities, competencies and skill sets of its workforce. The Group conducted three internationally regarded leadership development programmes for its staff.

In 2005, further enhancements were made to the Group's performance management system, succession planning process and high-potential talent development framework. These enhancements will provide the necessary long term platform to motivate and nurture the workforce towards achieving the Group's strategic vision.

SPC's enhanced performance management system provides employees with many opportunities for self-assessment. This assessment precedes follow-up efforts including performance evaluations, mentoring and training. The system encourages open exchanges between employees and supervisors on work process improvement initiatives, skills training and objectives planning. On the other hand, the succession planning process and leadership potential tracking framework identifies the core competencies and the readiness of the Company's employees for leadership positions.

The Group's remuneration philosophy of pay-for-performance has motivated and challenged its workforce to excel in achieving not only short term goals but also to create long term and sustainable value for the Group. The implementation of the Group's Share Plan serves to further align the interests of the staff with the interests of the shareholders.

A key milestone achieved in 2005 was the successful conclusion of the SPC Employees' Agreement for a three-year term from 2005. The strong partnership developed over the years between the Company and the United Workers of Petroleum Industry (UWPI) was a key factor in the 'win-win' outcome of the negotiation. Given the close and cordial relationship with UWPI, the Group was able to address the union's concerns and share management's views. Together, SPC and UWPI were able to work through various labour issues amicably.

The Group also embarked on numerous employee wellness and work-life balance programmes. The Family Day at Sentosa brought close to 200 employees together with their family members for a day of fun and games. During the course of the year, employees also participated in Company and industry related sporting events such as SPC Bowling Competition, Keppel Recreation Club 8-Ball Pool League and Badminton Tournament, Platts Futsal Tournament and popular public sporting events. Inhouse talks on health issues and effective management of personal and work stress were organised to provide employees with useful tips on maintaining a healthy and productive lifestyle.

Competition for talented staff will continue to intensify. SPC is determined, focused and committed to identifying, attracting, developing and retaining such talents. The Group will also continue to build on the capabilities, performance and commitment of its employees, devoting resources to harness and enhance its human capital to fuel SPC's growth and ensure that the Group meets future business challenges.



Top : Mr Koh Ban Heng and Mr K Karthikeyan, UWPI General Secretary, sealed the SPC Employees' Agreement 2005 with a firm handshake. *Middle* : Employees and their families enjoying a day out at SPC Family Day. *Bottom* : New employees getting to know SPC through a 2-day Orientation Programme.