

Harnessing human capital

SPC maintains a multi-faceted human capital strategy to create business excellence and competitive advantage through its people.



Family Day at the zoo

SPC has for more than three decades built a reputation as one of the region's leading oil and gas companies.

The effective management of human capital is critical to the Group's continuing success. SPC has consistently maintained a multi-faceted human capital strategy to create business excellence and competitive advantage through its people.

To build, motivate and retain its people, SPC human capital strategy has specific focus on four key elements - Corporate Cohesion and Alignment, Talent Building and Development, Leadership Development and Succession Planning and Performance and Rewards Alignment.

Corporate cohesion and alignment

SPC continues to introduce corporate-wide initiatives to build corporate cohesion and strengthen corporate alignment within the Group. These initiatives result in better understanding and appreciation of the Group's vision, strategic goals and business objectives. Some of the initiatives include the company's orientation and induction programme, quarterly town hall meetings, business units' planning retreats and the annual strategy workshop.

Apart from these, the CEO lunch gatherings in 2006 had been another element to build corporate cohesion and alignment. The CEO lunch essentially provides an informal forum for the CEO to discuss with staff at different levels, industry and business challenges, as well as the company's strategic



Carried away by teambuilding

business positioning and thrusts. Through the lunch interaction and dialogue, the employees have an opportunity to build an appreciation of the corporate vision and align their individual performance objectives to the Company's goals and growth directions.

These efforts are further supported by the Group's performance measurement and management systems focused on aligning corporate and individual performance objectives.

Talent building and development

A key factor in SPC's continuing success has been its ability to attract talented people in the industry to the Company. Whilst the Group has a dedicated, committed and experienced team to plan, direct and manage its operations, it continues to support talent building and development to strengthen its human resources.

In 2006, SPC invested significant corporate resources towards training and development, with focus on executive and management programmes, technical and business competency courses.

To further the Group's strategy of gaining new markets, augmenting its refining business and capitalising on business opportunities in the E&P sector, SPC's recruitment exercises in 2006 were keenly focused on attracting new technical capabilities and high calibre personnel.

SPC also grew its human capital capabilities through the attraction and recruitment of young, dynamic and enthusiastic individuals. The Company's management executive recruitment programme is focused on growing and developing young academic achievers for successful and long-term careers with SPC.

SPC's recruitment strategy also embarked in a new direction. In 2006, the Company offered scholarships to two students from the Mechanical Engineering Department of the National University of Singapore (NUS) to participate in the first NUS-Texas A&M Student Exchange Programme. Through this programme, the students would be able to enhance their knowledge in the area of petroleum engineering. On graduation, they would be offered further learning and practical industry experience with SPC.

As an integrated oil and gas company, SPC offers both depth and breadth in career choices. The Group supports its staff aspirations for continuous learning and career building with rotation and exchange programmes across departments as well as through overseas secondment and assignments.

Leadership development and succession planning

The company places significant importance on growing leadership skill sets of its leaders and potential leaders.

Several of the Company's business leaders were selected to participate in the Executive Management Development Programmes conducted by INSEAD and the Ross School of Business, University of Michigan. The programmes provided the leaders with opportunities to develop various business and people leadership capabilities through networking, interactions and exchanges with academics and senior leaders from various industries and countries in the Asia-Pacific.

The Company also launched its own internal leadership development programme - the Leadership Forum. This forum provides the Company's second echelon managers and future leaders with the opportunity to be involved in mapping the corporate strategic plans to evolve SPC into an Employer of Choice. The participants assume the role of senior management positions and lead efforts in the development of a framework and processes for an engaged mindset among SPC's employees.

The Company's in-house development programmes continue to provide opportunities for employees to grow and develop the desired leadership, business and technical competencies. The customised programmes covered areas such as effective negotiations, financial management, business communications and fundamentals in oil and gas.

Performance and rewards alignment

In aligning performance to rewards, SPC is focused on growing the performance excellence mindset entrenched in its people. The Company's performance recognition philosophy, empowerment practices, promotion of teamwork culture and pay-for-performance incentive programmes (both short and long term), were critical factors in motivating employees to take on additional responsibilities and to strive to deliver better results.

Employee wellness

To encourage work-life balance and to promote employee and family interactions, numerous recreational and social events were organised in 2006. The Family Day at the Zoo brought together employees and their families for a day of fun and games. Other social activities included a weekend cruise getaway, board games night, wine appreciation classes and movie nights.

The company also recognised staff for their non-work related contributions and efforts. In 2006, the Group launched the SPC Recognition Programme to acknowledge employees who have demonstrated personal dedication to social or volunteer work and acts of kindness towards fellow colleagues or other members of society.

The Group regards the continued strengthening of the core qualities of its human capital to be of paramount importance to the Company's success. The human resource programmes and efforts together with other corporate-wide initiatives in 2006 have strengthened the Group's competencies and hence its competitiveness.

The Group will continue to build on the functional competencies of its human capital, focus on the development of critical capabilities for its personnel and enhance the leadership qualities of its managers for greater success.