

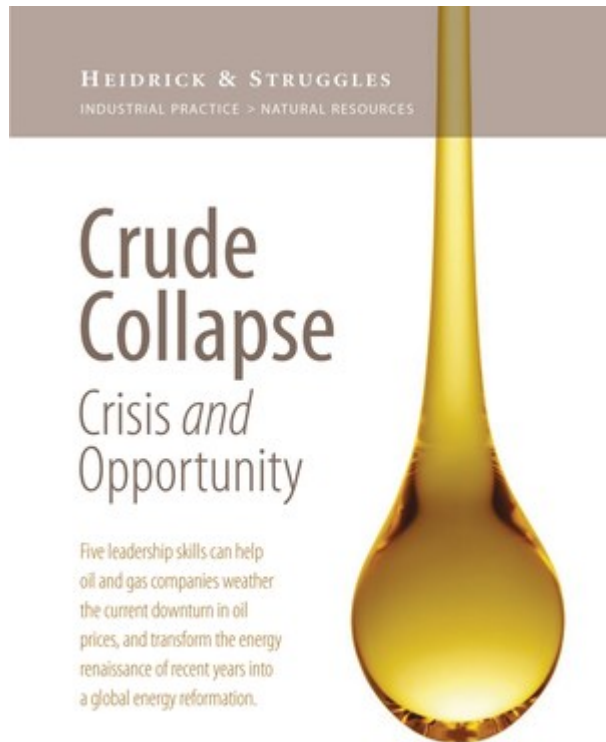
# HEIDRICK & STRUGGLES

## Crude Collapse Tests Mettle of Energy CEOs

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### Five critical skills distinguish chief executives in Energy sector

HOUSTON, April 20, 2015 /PRNewswire/ -- Heidrick & Struggles (Nasdaq: HSII), the premier provider of [executive search](#), [leadership consulting](#) and [culture shaping](#) worldwide, today released a white paper detailing the leadership traits that Energy-sector CEOs need to lead effectively amidst the unique pressures of the industry.



"Given the wildly cyclical nature to the sector, Energy CEOs must push for immediate innovation and performance, while addressing longer-term issues and opportunities in the industry," said [Les Csorba, Partner in Charge - Houston, Heidrick & Struggles](#) and author of "Crude Collapse: Crisis AND Opportunity."

"Companies that rigorously invest in the development of their leaders will not only be creating opportunity from the latest energy crisis but also gain a competitive market advantage," Csorba states.

Csorba points to five leadership skills particularly relevant to Energy CEOs, applying learnings from the global research study "The CEO Report," released earlier this year by Heidrick & Struggles and Saïd Business School at the University of Oxford.

#### **CEO Traits of Successful Energy Executives:**

- **S<sup>3</sup> of Change: Speed, Scope, Significance:**

Even before the collapse in crude oil prices, a new generation of leaders was redoubling the focus on operations and underlying fundamentals to be in a position to address the full implications of the changes that lay ahead. Consider, for example, the CEOs of Apache Corporation, Chesapeake Energy, and BP US Onshore. All three CEOs represent a distinct departure from the stereotypical swashbuckling oil and gas executive whose free spending and large bets on assets risked placing the business in a precarious position as (inevitably) the next downturn approached. When Doug Lawler became CEO of Chesapeake in June 2013, he instilled a "returns-centric" culture focused on capital efficiency and balance sheet flexibility.

- **Ripple Intelligence:**

As one CEO put it, "If you haven't got your antennae out... you're going to struggle to see opportunities and threats which may blindside you." This skill is particularly relevant for oil and gas leaders, who will need to develop the ability to discern and connect events, anticipate distant threats, and detect promising opportunities.

- **The Power of Doubt:**

An oil and gas CEO with one of the healthiest balance sheets among all large independents has carefully cultivated the power of doubt by inviting a range of voices to the table. By routinely listening to a broader range of viewpoints, the

company has created a more disciplined planning process to consider more timely and accretive opportunities down the road.

- **Adapting Authentically:**

Oil and gas leaders are under massive pressure to adapt, but they must do so in an authentic way -- modeling integrity, showing respect for others, and building trust. Therefore, executives must move with speed to achieve operational efficiencies while resisting the tendency to cut corners and sacrifice essential values such as health, safety, or environmental performance.

- **Continuous Learning Mindset:**

This mind-set must be not only developed by the CEO but also instilled and championed throughout the organization. Leaders should believe that change is the oxygen of growth and creativity to nurture a talent pipeline. Continual investment in training can build a sustainable business, create a high performance culture, and increase retention. Take, for example, Noble Energy, a global independent oil and gas company, which started investing in executive assessment and coaching plans years ahead of the recent downturn. Led by Noble's former chairman and CEO Chuck Davidson, a 40-plus-year industry veteran who has seen his share of downturns, the company created sustained development, coaching, and succession plans for every major business function. These efforts helped equip the company with the leadership and bench strength to manage in a world of complexity and uncertainty.

#### **About Heidrick & Struggles**

Heidrick & Struggles (Nasdaq: HSII) serves the executive talent and leadership needs of the world's top organizations as the premier provider of leadership consulting, culture shaping and senior-level executive search services. Heidrick & Struggles pioneered the profession of executive search more than 60 years ago. Today, the firm serves as a trusted advisor, providing integrated leadership solutions and helping its clients change the world, one leadership team at a time. [www.heidrick.com](http://www.heidrick.com).

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