

Managing During a Change in Ownership

Managing refinery operations is challenging during the best of times, but if the site is for sale, stress caused by uncertainty about the future can create an additional challenge that deserves special consideration by site leadership. A manager who understands this, and is prepared to address it, can do a better job of helping the line organization maintain safe, profitable operation.

The Big Stressor

A big thing to keep in mind is how the threat – or reality – of change impacts people. For employees with long service, or those who perceive themselves to be in vulnerable positions, there can be an emotional impact that can substantially affect work performance. This can be particularly difficult for some senior managers to handle, as they themselves are among the most likely to be affected by a change in ownership. The important first step for a manager is to understand this, and be able to deal with their own uncertainties, so they can help the rest of the organization.

Communications

“What’s in it for me?” is what most people want to know. It is your job as a manager to let them know, and help them understand the personal impact. The threat of job loss is often the biggest fear, so if there will be layoffs, letting people know as soon as possible will help them prepare for what’s coming. If there won’t be layoffs, let them know that as well. After the threat of layoffs, compensation and benefit changes are the next biggest worries, so be prepared to speak to these points as well.

It is useful to remember the “Four Cs” of communicating change: keep it clear, coordinated, consistent and continuous. The use of a formal communications plan, with scheduled times for official information release, is strongly advised. Even a diligent refinery leadership team will struggle to move faster than the rumor mill, but if the workforce knows that you are going to provide an update every Friday for example, it will help people keep focused on their jobs.

In terms of what to communicate, the rules are simple – update the employees on the current status of proceedings, or tell them there is nothing new if there isn’t any news. If you are asked questions, tell what you know to be true, or admit you don’t know if that is the case. If you do know, but are not permitted to say at present, make a statement to that effect, but never mislead people. Don’t forget to emphasize what is not changing, especially the need to operate safely. It is also important to be positive when discussing the new owners.

Engaging Front-Line Supervisors

Remember that your front-line supervisors are the face of the company to the workforce the majority of the time. Be prepared to actively engage them as part of the management team. Communicate any known changes to supervisors before you tell the general workforce to give supervisors a chance to process and understand what is going on so that they, in turn, will be able to help the people who report to them. Long-term supervisors have typically been very

successful under the existing company, so it is advisable to work with them early and often if ownership of the company is changing hands.

Challenges to the Operation

Finally, there are some potential challenges to ongoing operations that bear consideration. The possibility of a sale can be distracting or even debilitating for some employees, so have realistic expectations about performance and goals during the time of uncertainty. It is common for the acquiring company to make changes to work processes and business practices. Site management needs to plan sufficient support to assure that these are successful, particularly where they affect the 24/7 operation.

Conclusion

If your site is up for sale, or has been sold, your workforce is coming in for some extra stress. A successful manager needs to understand what that stress is going to look like, and how to help employees maintain safe operations.