‘Pipeliners All!’ Shell’s memo to Sakhalin

By Ed Crooks
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As if laying pipelines across Sakhalin Island, described by Chekhov as “hell”, were not enough, the engineers battling the elements there have to put up with their boss’s motivational memos.

In a leaked email from David Greer, the deputy chief executive of Sakhalin Energy Investment Company, the consortium running the Sakhalin 2 project, he reveals that he despises cowards and urges his staff to “Lead me, follow me, or get out of my way”.

Much of the memo appears to have been drawn from a speech by General George S. Patton to US troops ahead of the D-Day invasion, when he said: “When you were kids, you all admired the champion marble player; the fastest runner; the big league ball players; the toughest boxers. Americans love a winner and will not tolerate a loser. Americans despise cowards. Americans play to win - all the time.”

The Patton link was noted in a posting to an FT.com forum by Mark Bisset.

Sakhalin 2 has had a troubled history, hit by rising costs and concerns about its environmental impact.

In a deal completed in April, Royal Dutch Shell and its Japanese partners were forced to allow Gazprom, Russia’s state-controlled gas company, to buy a majority stake.

Mr Greer’s e-mail reveals the pressure the company is under to hit its schedule of delivering its first shipments of liquefied natural gas by the second half of next year and the unusual management techniques he is using.

“Pipeliners All! Many thanks to all of you for your contributions to this week’s Bi-Annual Challenge ... and what a Challenge it is going to be for all of us!” the e-mail begins, cheerily enough.

“From the outset, I want to assure you that, despite the mutterings on the day and the challenges ahead, I have total faith in you and our collective ability to complete the task ahead of us.”

After the good news, though, the mood darkens. “However, some of the comments and body language witnessed at the Bi-annual Challenge meeting do suggest that PDP is running the risk of becoming a team that doesn’t want to fight and lacks confidence in its own ability. Surely, this is not the case? Pipeliners and Engineers love to fight and win, traditionally. All real engineers love the sting and clash of challenge.”

After more appeals to the pride of “real frontier professionals” comes the inspirational bit. “When everyone of you were kids, I am sure that you all admired the champion marble player, the fastest runner, the toughest boxer, the big league football players. Personally, I, like most others, love winning. I despise cowards and play to win all of the time. This is what I expect of each and everyone of you...”

“Strive to be proud and confident in yourselves, be proud of your tremendous pipeline achievements to date and lift up your level of personal and team energy to show everyone that you are a winning team capable to achieving this year’s goals. If you can crack this angle, I am very confident you can crack the job, with ease.

“So Lead me, Follow me or Get out of my way; Success is how we bounce when we are on the bottom.”

The memo was leaked to the website www.royaldutchshellplc.com, which has long been a thorn in Shell’s side.
Shell confirmed the e-mail was genuine but was reluctant to discuss it further.

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