



Energy Talks

Saying yes to opportunity with Josie Philips

Darren Hill (00:05):

Welcome to Energy Talks, the podcast where we speak to the people powering the energy sector. Today I've been joined by Josie Phillips, our regional director based in Australia. We'll be talking about saying yes to opportunity and growing with Petrofac. Breaking into the Australian market is an unknown and a unique decommissioning partnership. So sit back, relax, grab a coffee and enjoy our conversation. But before we get started, hit that subscribe button to make sure you don't miss another episode.

(00:29):

Josie, thank you so much for coming onto the podcast today.

Josie Phillips (00:32):

No problem, Darren. Good to see you.

Darren Hill (00:34):

Brilliant to have you on. You've been at Petrofac for a little while now. I believe it's your 15th year. So tell me a bit about your journey at Petrofac. How'd you come in and how did you ultimately end up where you are now?

Josie Phillips (00:45):

Oh, it's a long story. Like you said, 15 years off. I'll try and paraphrase. So it's not to bore you with it, but yeah, I guess initially, not long out of uni I came into Petrofac, so I'd only graduated a couple of years earlier. And the honest truth is I had no idea what I wanted to do at all, and I had no prior knowledge of the oil and gas industry. I happened to be in Aberdeen at university. There was an a job that came up with Petrofac. It was actually SPD at the time, which was Petrofac's Wells Division. So yeah, it started as a commercial administrator back in 2008 in Aberdeen. It was a whirlwind the first few, I guess, months initially because they had just been awarded their first drilling contract in the UK. So we were gonna project manage a well for a company at the time called Serica Energy, who I believe is still there and maybe a client of ours now.

(01:37):

So I was taken in to assist the commercial manager at the time and essentially building up all the contracts and suppliers that we would need to actually execute that. It was a very steep learning curve for me. I'll be honest. I knew nothing about pollution, indemnity or anything like that when I started. But from that stage I did that role for a few years. I can't remember exactly how many, but I loved it. I was learning a lot. I was surrounded by a variety of characters in the drilling team that, you know, people I'd never come across before. Super interesting people and



a really team environment. It was a really close-knit team and I just loved it. I enjoyed being there. I enjoyed the social aspect of it. I enjoyed, I was learning a lot and that was challenged on a daily basis.

(02:25):

And a few years in, it was maybe three or four years the person that was then doing the commercial manager role moved back into a different role in Petrofac and I was asked if I would take that role. And at that time it was the managing director of that part of the business back then. I was kind of like, oh no, you know, I was, I was still really young, you know, early twenties. I'm thinking there's, I definitely don't have enough experience to do that. But he, pushed me and he said, no, I think you can do it. You'll be fine. You're doing it. And I didn't really get a chance to say no at that stage. And I think that was the start of me being able to say yes to things. Because I just remember back to that and thinking, I didn't think I could do that and someone pushed me.

(03:04):

So now I just say yes. So yeah, he's someone that was important in my career for that reason. Yeah, so I did that role, the commercial manager role for a while. I did take to it pretty easily. I enjoyed it. It got me a lot more exposure with the wider Petrofac. You know, started working a lot more with a broader range of teams, functional support, mostly likes of your HR, your insurance groups procurement, all of that kind of stuff. And I did that for quite a while and then, I can't remember if it was myself that started to get a little bit bored in the role or if it was the business that decided they wanted to shake it up a bit. But there was an opportunity to combine the role I was doing commercial manager with a business development manager role.

(03:52):

And there was myself and another gentleman at the time that was in the BD role that both decided to throw our, our hats in for it and I was successful in in securing that role. So then it became combined, which I loved cuz I love variety in what I do in my day, it's what kind of keeps me going. I would think I would get pretty bored pretty quickly if it was just all the same. So yeah, I got the role and I started to take on the business development side of it as well. I already enjoyed interfacing with the clients when I was negotiating contracts. So this just gave me a bit of a different angle in terms of now trying to, you know, meet them prior to being in a contracting relationship to win the work and to see what was involved with that because there is a lot involved with that. You know, we kind of I think underestimate the power of work that our proposals team and everyone who's involved in actually winning a tender what the work that they put into it and the hours. I'm mid one at the minute so I still a, Experiencing <laugh>.

Darren Hill (04:49):

You're feeling feeling the pain <laugh>.



Josie Phillips (04:51):

I am indeed. So yeah, that was, I did that role, combined role, for a while and that must have been not long before, Petrofac as a group started to really look to integrate the companies and the parts of Petrofac that had been acquired or weren't maybe branded in the same manner. We'd still had a separate office at that point in Golden Square in Aberdeen. So there was, we moved that at that point down into the Petrofac into Bridgeview office, where you are now. And we started to look at rebranding to be Petrofac, well engineering as well. So there was a lot of change at that time. It also meant for me that I went from having, you know, kind of one line manager who I knew very well cause I'd worked with them for a long time, to having three or four, I can never remember the exact number, but I had a commercial direct reporting line that was in the wider Petrofac organization. I had a business development manager that was in the wider organization and then I still reported to two of the guys that I was working for in the Wells division. So that was an interesting experience for me to not only have one boss but to have four. But they were all great to be fair.

Darren Hill (05:58):

Do you think it's that, to give you the grounding like that widespread different exposure to these part, is that what gave you the grounding to pursue the role that you have now?

Josie Phillips (06:08):

Yeah, I think it probably did. I always used to panic about being kind of pigeonholed in the commercial slash legally spaced because I just knew in my gut that I was never gonna be an absolute expert on one thing. I wasn't, it didn't fill me full of like fire to want to be an expert in any one area and to keep up to date with new laws and regulations. That was never something that was really driving me. So I think you're right. I think realizing that there was more breadth available and I could actually kind of multi hat across different things and have exposure to different areas of the business. It was, it was probably when I really started to blossom actually I would say in my career and in knowing what I wanted in as far as I actually could. Because yeah, like I've mentioned before, I still don't really know what that looks like.

Darren Hill (07:01):

Yeah, <laugh>. But it's gets a good message for those other, especially young women getting into the industry and know that you don't have to pick just one thing for the rest of your career. And I think that's something we all come across when we're younger. We think we choose this one thing, we get amazing at it and then we retire <laugh>. And the fact that you've sort of shown that it doesn't have to be that way.

Josie Phillips (07:21):

Exactly. I think that, I think people feel a lot of pressure to be a specialist in one subject and I actually think that our people like me that are just not built to be specialists, we're built to be generalists and actually there's value in those roles as well. Especially for example, in the role that I'm in now, I have to know a little about a lot of things, but thankfully there are people that are experts in each of the areas that I need to know about that I can call them when I need them. So, and that's where, that's where I've found my strength.



Darren Hill (07:49):

2022 was a very busy year for you. How did we break into Australia as that unknown entity?

Josie Phillips (07:54):

Yeah, so it is difficult. It wasn't all on me. That's the first thing I'll say. So we did have a small, a really small team of people who'd been here for about 15 years. Some of them for, for a long, long time. I was coming from a perspective where I'd worked in both Aberdeen and Sharjah for Petrofac which, you know, everybody knows who Petrofac is in the industry in those two regions. So to come down here and people say Petrofac, you know, who are that and they couldn't even pronounce the name of the company half the time. It was really different. And so you spent a lot of your time really going back to basics, which is where my business development background I think really helped in terms of being able to explain what we do as a business and globally. And you did a really great job of actually trying to get the name out there.

(08:37):

And then I kind of picked up the baton in terms of ensuring that we had a visibility at the key events and key industry sessions that were going on. And I think that was, that's part of the start of it. And then a big part of it was just those one-on-one conversations with clients. Map who the clients were. We, we already knew that the team had done a good job of mapping that out and it was just gradually going round and bit by bit trying to convince them about our capability and the fact that because we'd done it elsewhere, we could actually make it work in Australia as well. But it was a challenge initially and now we are getting traction, which is, it's fantastic. There's still a long way to go though.

Darren Hill (09:13):

Yeah, I can imagine. So do you think it's that global experience and the fact that Petrofac, like you say, very well known in other parts of the world, is it the fact that you could basically say that, look, I've got, we've already got the experts in Aberdeen, Sharjah, I can utilize that and bring that here. We've already done it in like the North Sea for example. This is exactly what I could bring to you. So do you think that was maybe the difference maker in the USP for when you were approaching the Australian market?

Josie Phillips (09:41):

Partly, yes and partly no. And I say partly no because of the way the Australian market is, you know, it's quite a niche market down here and there is not everybody, but there's quite a bit of attitude of, well if you, you don't know how it works in Australia, it's different here. Which of course it is, there are some differences, but there's probably more similar than some would like to admit to the UK market for example. It's highly regulated if you're used to working with the regulator in the UK it's not too much of a stretch to think that you could work with a regulator here. So there was, there was a bit of kind of that real balance of yes, I do think it's a strength, a massive strength and I don't think we would've got, for example, the Northern Endeavor contract had we not been able to pull on that global experience for many different reasons. But there's also, there was a very sensitive part about making sure that everyone was aware that we do



know it's different in Australia and we understand what it takes actually locally to be able to operate and, and execute contracts here.

Darren Hill (10:47):

So the Northern Endeavor is quite a unique project where you're working with the Australian federal government. What's that been like?

Josie Phillips (10:54):

Yeah, it's unique is is the perfect way to describe it. It's been both challenging and rewarding probably in equal measures. And that is feedback I've given to the government as well, by the way. So I'm not speaking out of turn about them here. We have a really good relationship with them. The tender process was intensive because they had to follow government procurement rules, which are obviously, as you can imagine, quite strenuous to actually meet which was a great experience to go through and learning for all of us that were involved in that project. But the best thing I found about working for them is the communication and in terms of that they know what they don't know. They know that they are not experts in oil and gas or decommissioning of facilities, aging facilities.

(11:42):

So we really do have quite an open and trusting relationship when it comes to them asking us for advice, us providing very honest feedback and pulling from examples of what we've done elsewhere in the world and our experience in, you know, operating late life assets, for example in the UK has been massively beneficial to that because we can give them exact examples of it, you know, this has happened here. It also gives them the comfort one that we are the right partner to be executing this project for them but also that we're not only telling them that we can do it, we're showing them where we've done things in the past as well. From a paperwork and an admin perspective, it's a challenge, you know as you can imagine it is perceived to be public funds, although it is actually oil and gas industry funding that is paying for the bill on this one.

(12:35):

But because of that perception of it being kind of taxpayer money, obviously they have to follow the same internal procurement rules and probity rules that they would for any other project. So that is probably, we underestimated the admin burden that would be on us from that perspective. But yeah, overall a really positive experience and actually, you know, an unfortunate one in that is probably gonna be unique. Although I know they wouldn't want to be in the same position again. But yeah for us we'd happily work with the government on a repeat basis based on this relationship.

Darren Hill (13:09):

And is there any, like you said there about that open, honest conversation, is there any learnings you are going to take from this and how they work and how you work with them into your next client project?



Josie Phillips (13:20):

Not only the next client project I guess, but there are two more phases of this project to come. So obviously we will have to tender for those. So that is something which we can bring these learnings into. It's really mostly around having discussions really early on in a tender phase or even prior if you can, to actually be honest about what you want, what the limitations are, the level of risk that you're kind of willing to take on and the cost that is gonna be associated with that. And I think if we can, if we can get other operators in our industry to be of a similar mind and mindframe to the open conversations that we actually had with the government, then, then it kind of ends up being a win-win for all.

Darren Hill (14:00):

Yeah. So was a real focus on, obviously we've mentioned growing the team was a real focus on Australian like local recruitment as well to bring that local experience in.

Josie Phillips (14:11):

Yeah, definitely. So that was a mix, especially initially it was about hiring local people, the people that knew the market, people that knew how we operated there. And then when we, when we won the first big contract that we got the Northern Endeavor won it, we made a decision that was absolutely critical to move some key people from other parts of the business over here because we had to have the local people that know how to operate in Australia. But we also had to have the people that know how Petrofac operate because we wanted to make sure that we were providing the same service here essentially as we do in other parts of the world.

Darren Hill (14:45):

Is that something we do quite often, like merge the local experience with the, the global expertise that Petrofac has?

Josie Phillips (14:51):

Think so. I mean, I've not experienced it elsewhere. I think because the two previous places I've worked for for Petrofac have been very self-sufficient. So like Sharjah in itself and Aberdeen and I do think we're missing a trick in terms of sometimes integrating more of the experience and skillsets that we have across those two locations. It's only been a positive for me here, wherever we've reached out for support, whether that be the, the hub in Aberdeen or from Sharjah or elsewhere, you know, we have some support that comes from Malaysia and we're looking closely at the minute about how we can tie in more closely with our Malaysian colleagues both in IES and in the asset solutions part of the business there. So I do think that overall it's something we need to get better at and we can prove, we've proved that it does work and actually to our benefits. So yeah, it it's a mindset change isn't it? And I think that's difficult wherever you're trying to implement it.



Darren Hill (15:45):

A hundred percent after a bumper year, we'll say in 2022. What's next? What's on horizon? Where do you take the business from here in the Asia Pacific region?

Josie Phillips (15:55):

More of the same hopefully. I mean the last, I would say, three years have been very reactive for the business here. You know, we've been, we had a strategy, it was small steps to try and implement the business and then we were awarded this huge contract and we've been in quite a reactive phase ever since then. I think going forward it's more of the same in terms of we're still heavily bidding on other activities similar to this and in other areas we want to expand a little bit more our operations capability, look at we what we can do more in the new energy space Because there's quite a lot of interesting and exciting projects going on in there. And then, you know, maximize our position as being kind of at the forefront of the Decom market in Australia. So there's a lot of work to do in terms of that. And then the rest of it, from more a more internal perspective is setting us up for that growth. And what does it look like in terms of building a team that will stay here for the foreseeable future and hopefully grow and continue to deliver projects?

Darren Hill (16:55):

What's it that really drives you? What gets you up in the, the morning?

Josie Phillips (16:59):

I always struggle to answer questions like that, you know think I'm one of those people that just has an inbuilt drive to deliver actually seeing the people here happy and seeing that they have a future with the business in Petrofac and actually hearing them say that they like to work for Petrofac

Darren Hill (17:17):

How do you build and grow that culture?

Josie Phillips (17:20):

It's a good question, and to be fair, it's probably the most, the biggest challenge that I have faced in this role is maintaining it. It's very easy when it's a small group, right? Because you know everyone well and they're all still there because you all work in the same way and you have the same kind of ambitions for the business. We've had to change a lot. We've structurally had to change a lot. You know, we had a structure in place when I first got here that had to change at least a couple of times and it's still changing now. And to account for the growth of the business locally and to make sure that we are kind of set up to keep delivering in the way that we're going. And that is a challenge because, you know, people just don't like change generally, so it makes people feel uncertain about what's going on when there are multiple changes in structure, changes in personnel, that kind of stuff.



(18:12):

But it's also a necessity to kind of manage the, the growth and the direction that we're in. And you hit the nail in the head when you said communication. It's key. It's something that's the only way I think that you can really keep people together and try and keep a culture good, is by keeping speaking to each other. Good stuff, bad stuff, you know, any feedback is good feedback in my view. And having the challenging conversations as well. But, making sure that everybody is, you know, knows what they need to know and probably a little bit more, so that they feel like they are actually bought into the future of the business here. Social events and team building, you know, those kind of the softer things around the outside help as well, but really it's all about communication.

Darren Hill (18:57):

What would you say to other younger people or anyone that's looking to get into the energy sector to entice them to come into the industry?

Josie Phillips (19:03):

I just think there'd be daft not to even consider it, you know my options when I went out at uni was, you know, go and become a lawyer go down that route of where my education was or do something totally different and, you know, I couldn't have ever imagined taking the other choice. For me it's the variety and it's the people you get to work with, the variety in terms of the roles that you can do in this industry and, you know, it's really at the forefront of health and safety and across a lot of industries. And then obviously we have this transitional phase, which I mean, I think decommissioning falls into transitional phase as well because you need to clean up what's there before you can kind of start on this new energy transition. So it is the ability to actually get exposure across all of them, the traditional oil and gas, the decommissioning or clean up, and then into the new energy. So it is, it's an exciting place to work. You know, you get to travel in some instances and that is appealing I think for a lot of people. And for me, I genuinely don't think I would've had the opportunities that I've had in my career to travel and to take on new challenges had I gone into a different industry.

Darren Hill (20:15):

Josie, thank you so much for spending the time with me today. Really enjoyed your conversation.

Josie Phillips (20:20):

Thanks Darren. It's been a pleasure.

Darren Hill (20:22):

Thank you so much for listening. Hit that subscribe button to make sure you don't miss another episode.