



**COMPETENCY:** HUMAN RESOURCES  
**INDUSTRY:** ENERGY

## CASE STUDY

### THE CLIENT

A medium-sized international exploration company with offices in Calgary, London and North Africa.

### THE CHALLENGE

When the economy took a downturn and the energy market had collapsed, the share options that had been part of the compensation package were below the option price. As a result, both the Board of Directors and valued employees were unhappy and retention of key knowledge professionals was at risk. The company recognized that this risk had to be mitigated in order to bring a major project to fruition in North America.

### THE APPROACH

An Osborne Principal was initially contracted to deal with the variable compensation program issue. Because there was no senior HR staff, he had to work with corporate lawyers, senior staff and contracted specialists to sort through the facts and report back to the executive and Board of Directors. Once resolved, the Principal recommended to the Board what a future compensation process and program should entail.

The proposal was approved by the Board and the Principal's contract was extended and upgraded to interim HR Director. This role had the Principal dealing with payroll, HRIS, compensation, recruitment, expat matters and onsite issues. As well, he became embroiled in a hostile shareholder revolt by a European company. Soon after the takeover, the company was then sold to another European energy conglomerate who kept the Principal on as its Canadian advisor for a few months until the Canadian arm of the organization closed and merged its operations into its company fold.

### THE RESULT

Once the Osborne Principal was brought on board, tension with the Board and employees subsided as they knew the issues were being worked through. Staff confidence in the organization was soon renewed when a new arrangement was offered to the employees. The company then proceeded in developing its HR function to meet the requirements of building a major project, handle the requirements of a company purchase, and lastly the closure of the firm resulted in an orderly resolution of all Canadian employee issues.