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# **MASTER'S THESIS (PROJECT)**

«The role of HR in international oil and gas company in crisis» Specialty 7M03122 - «Business Psychology»

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# M. Narikbayev KAZGUU University

# «The role of HR in international oil and gas company in crisis»

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# REVIEW

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### Abstract of « The role of HR in international oil and gas company in crisis »,

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### HSE, M. Narikbayev KAZGUU University

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The role of the HR sector in large companies affects not only the documentary aspect of the work, but also helps the organization with long-term business planning in the field of the company's human resources, the development of the company's employees, the analysis and reward of the work of people in the company to achieve high results and set goals. Often, neglect of this aspect of work in companies leads to large losses, the departure of potentially talented employees, which will invariably entail financial losses for the company. In her research, the author examines the problem of the HR sector using the example of one large international oil and gas company, represented in Kazakhstan. During the research, the author conducted in-depth interviews with 15 employees of this company and found out the strengths and weaknesses of HR specialists in the field under study. As a theoretical basis, the author refer to the works of the famous scientist Dave Ulrich, in particular, his well-known HR model is widely used in the study, which includes those competencies of the researched specialist that HR should ideally have.

### **Chapter 1: Introduction**

### **Problem background**

"The oil and gas industry is experiencing its third price collapse in 12 years. After the first two shocks, it recovered and the business was back on track." (Nurazkhanov, 2020 p.1). Things are completely different this time. The coronavirus epidemic has greatly exacerbated the problems that began in the sector even before the outbreak of the pandemic. We are currently witnessing an unprecedented drop in demand and a huge humanitarian catastrophe. In addition, the industry's financial and structural resilience is much weaker than in past crises. Today, with prices hitting a thirty-year low, public pressure is increasing and companies are realizing that change is inescapable. The feature of the current crisis in the area is also due to the fact that creation must be cut from the earliest starting point of a year ago, and essentially - by practically 20%. This was the OPEC + choice pointed toward settling the market position and diminishing adverse consequences. As a result, oil laborers wound up under twofold tension: incomes declined both because of falling costs and due to creation limitations. (Quint, 2020 p.4).

The moment of recession and pandemic can push the development of the human recourse industry, globally change its role in the corporate world. According to Hamid (2014), in the last decade we have been witnessing changes in HR professionals. Previously, HR professionals were mainly focused on functional competencies in their field, which were the traditional mission of staff. But nowadays, due to new business needs, HR managers need to be a strategic business partner as well in order to respond to rapidly changing global business trends. (Hamid, 2014 p. 446). At a time when all major corporations are rethinking their HR practices during a period of general quarantine and major financial problems in the oil and gas field, the human resources specialist will more than ever play a central role in companies.

"In a May 2020 survey of analysts at the McKinsey consulting firm, 67% of 190 CEOs and functional leaders surveyed across industries expect to spend less on permanent hiring over the next 12 months." (Hancock and Schaninger, 2020 p.1).

According to Mukhanova, "The isolation of human resources departments from setting promising goals leads to the fact that existing human resources often do not provide an opportunity to implement new ideas and technologies, and it takes too much time to restructure it, which is especially impermissible in a market economy." (Mukhanova, 2014 p.2)

In my opinion, such problems on the part of HR-managers often stem from a lack of information about working with employees. The HR manager's functions in Kazakhstan should make the transition from their traditional role to a more strategic one. Therefore, as a theoretical basis, I refer to the concepts and works of Professor Dave Ulrich, in particular to his model of the same name, which allows dividing the researched specialist into 4 roles that companies need in the long term.

Ulrich's research is the most significant and long-term research in HR. The first studies developed by Ulrich and his team began in 1987. Since that time, studies have been repeated every five years, and after each such analysis, Ulrich and his team have changed, updated or added new competencies of the researcher, which would correspond to the changing business environment. Over time, research has evolved into the Ulrich Model, which encompasses various areas of HR specialist competence. (Huong Vu, 2017 p.360).

### Definition of organizational design

"Organizational design is a step-by-step methodology which identifies dysfunctional aspects of work flow, procedures, structures and systems, realigns them to fit current business realities/goals and then develops plans to implement the new changes. The process focuses on improving both the technical and people side of the business.

For most companies, the design process leads to a more effective organization design, significantly improved results (profitability, customer service, internal operations), and employees who are empowered and committed to the business." (Allen, 2012 p.1)

According to Burton and Obel that the basic organizational design question is the way to make a fit among structure and coordination. Structure is to break a major reason or issue into more modest issues and units. The outcome is a bunch of assignments that must be performed. The coordination is dealing with these more modest issues, units, and assignments into an entire so they fit together to accomplish an in general purpose. (Burton and Obel, 2018 p.5)

### **Definition of HRM**

Human resource management (HRM) is the process of employing people, preparing them, remunerating them, creating arrangements identifying with them, and creating methodologies to hold them. As a field, HRM has gone through numerous progressions in the course of the most recent twenty years, giving it a significantly more significant part in the present associations. Before, HRM implied handling finance, sending birthday presents to representatives, orchestrating organization excursions, and ensuring structures were rounded out effectively—all in all, a greater amount of an authoritative job instead of an essential job vital to the accomplishment of the organization. Jack Welch, former CEO of General Electric and management leader, summarize the new role of HRM: "Get out of the parties and birthdays and enrollment forms.... Remember, HR is important in good times, HR is defined in hard times" (Frasch, et. al., 2010).

According to Edwin B. Flippo, human resource management is the arranging; putting together, coordinating and controlling of acquirement, advancement, remuneration, combination, upkeep and partition of human asset to the end that individual and cultural goals are refined. (Flippo, 2009 p.93) French Wendell states, "Personnel or human resource management is the recruitment, selection, development, utilisation, compensation and movement of the human resources by the organisation." (Wendell, 2006 p.12)

According to Michael J. Jucious, "Human resource management is that field of management which has to do with arranging, coordinating and controlling the elements of securing, creating, keeping up and using a workforce to such an extent that:

"1. Objectives for which the company is established are effectively achieved

2. Objectives of all levels of personnel are served to the highest possible degree.

3. Objectives of society are duly considered and served." (Jucious, 1971 p. 108)

According to Decenzo and Robbins, "HRM is concerned with the people dimension" in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieve organisational objectives. This is true, regardless of the type of organization – government, business, education, health or social action. (Decenzo and Robbins, 2008 p.112)

### **Research** question

The research question in this topic is how a human resources employee can help a company with crisis problems. How the solution to these problems can affect the employees and the company. The goal is to identify how important is the effective work of an HR specialist in the company

**Structure of the dissertation** consists of introduction in this chapter the author gives an overview of the main points of my dissertation work. Secondly, the literature review reviews previous research by scholars using a wide range of sources, from classics in the field of study to the latest articles in specialized publications and then suggests theoretical consideration. Third chapter describes the research methodology and the fieldwork analyses which analyzed the collected primary data. Finally, the conclusion addresses the research question and provides recommendations.

### Chapter 2

### Theoretical framework: Ulrich's HR model

One of Dave Ulrich's most famous concepts is the Ulrich Model, which is used in many commercial organizations around the world to help human resources work. Vosburgh pointed out that it is the most well-articulated model for modern HR (Vosburgh et al., 2008 p.30).

Ulrich (1997) argued that the human resources employee needs to be strategically initiative. An HR specialist must go beyond just administrative activities and be an expert in strategic business partnerships in order to properly manage the transformations taking place in the company and protect the interests of employees.

Ulrich Model represents the four central roles of the human resources specialist: "strategic partner, change agent, administrative expert, and employee champion." To be effective in these roles, an HR professional needs to serve three groups of stakeholders — investors, employees, and customers.

Strategic partner	Change agent
Administrative expert	Employee champion

### Figure 1. (Ulrich, 1997 p.297)

A strategic or business partner builds relationships with the company's internal customers. Ulrich's internal client is a person who is directly related to the organization, and includes employees, shareholders, stakeholders, creditors. The HR business partner is the HR purpose of-contact for these people and is, in this manner, the channel that most inward individuals from an association will use to communicate with a Human Resources office. He is the main representative of the HR department. A strategic partner has a positive effect on the organizational structure, helps to spread innovations in the company. It is also the responsibility of the partner to give honest feedback to the rest of the

organization. Ulrich's business partner selects candidates for positions in the company and opens new vacancies. This means that the business partner has the traits of a recruiter. The business partner must find ways to get out of difficult problems, and find infallible solutions during difficult negotiations. "Business partnering makes HR accountable to the business, and expects HR to add real value. This is a shift away from traditional HR functions where purpose, priorities and successes were defined within HR" (CIPD 2009, p.1)

According to Gregeby the fundamental thought of this business partner model incorporates the utilization of coordinated programming answers for help and empower benchmarking of worldwide HR measures. That is, the efficiency of work is increased by automating information structures and connecting outsourcing in some aspects of the business. This should help HR professionals to focus on the strategic activities of the "business partners". Thus, the specialist does not engage in routine work, but performs analytical tasks and develops personnel in accordance with the corporate strategy. Ideally, this should increase the professional profile of the business partner. (Gregeby, 2010 p. 360)

It should modernize the capacity, making it more important to CEOs, and is presently the most wellknown structure, as per the Chartered Institute of Personnel and Development (CIPD). Practically 50% of the 479 chiefs surveyed had colleagues in their association.

Strietsky said that HR Business Partner model reflects current desires emerging from new roles of HR directors in organizations which incorporate its essential outcomes, change uphold and furthermore its capacities of HR frameworks advancement and improvement of worker engagement. (Stritesky, 2014 p.130).

Change agent is the next strategic role of the HR-manager. He participates in changes in management when necessary, and also takes responsibility for informing employees about the changes without losing the latter's confidence. Also, the change agent plans trainings for the company's employees, helps them acquire new skills and competencies. As for communicating changes, HR is primarily concerned with these responsibilities, when an employee's job descriptions change and the employee needs to change his work habits. This agent collects employee feedback and transfers it to the HR team in order to make

adjustments and changes that would have a positive impact on the company's employees. A change agent supports organizational innovation when needed.

An administrative expert has a transactional role in the HR department. HR will not play a strategically important role in the company if it is not a good administrator. Here the administrative expert must demonstrate knowledge of labor legislation, be able to negotiate with trade unions, and find a common language with difficult employees. HR must clearly comply with all requirements arising from changes in legislation.

So, the administrative expert must understand the labor law of the country, especially in the parts on the provision of maternity leave, dismissals due to disability and force majeure.

In Kazakhstan, in accordance with article 99 of the Labor Code, it is clear how long maternity leave lasts.

In the event of dismissal due to long-term incapacity for work, the Law provides the employee with guarantees of preservation of work in case of incapacity for work. However, if the incapacity for work is long-term, such an employee may be dismissed by the employer in compliance with the established procedure in accordance with subparagraph 17) of paragraph 1 of Article 54 of the Labor Code of the Republic of Kazakhstan. Thus, dismissal under this subparagraph is made if the employee is absent from work, although for a good reason - illness, but for more than two months.

As for the circumstances of force majeure, much attention is not paid to it in the Legislation of the Republic of Kazakhstan. There is no clear definition of force majeure, but the Civil Code of the Republic of Kazakhstan defines force majeure as extraordinary and unavoidable circumstances in certain conditions (natural disasters, military operations, etc.).

Employee champion/advocate protects employee interests. His task is to regularly conduct employee satisfaction surveys in order to identify if there are gaps in the corporate culture of the company. The employee champion should carefully examine whether there are any problems in the personnel and management policies of the company. The specialist should regularly review complaints and how the

rules are followed in handling these complaints in order to ensure that employees are treated fairly by management.

strategic or business	1. the main representative of the HR department
partner	2. strategic HR planning
	3. building relationships with an internal client
	4. honest feedback to company employees
	5. recruiter responsibilities (selection of candidates and new
	vacancies)
	according to Gregeby:
	6. solving analytical problems in the organization
change agent	1. organize trainings
	2. informing about innovations
	3. informing about changes in job duties
	4. instructing new employees
	5. supports company innovations
	6. collects employee feedback for adjustments and changes
administrative expert	1. negotiations with trade unions
	2. knowledge of labor legislation
employee	1. protects the interests of employees
	<ol> <li>conduct employee satisfaction surveys</li> </ol>
champion/advocate	
	3. accept complaints from employees

Figure 2.

Research conducted by R. Caldwell has shown that basically HR-managers act either as advisers or change agents, "and special attention should be paid to the change agent role, for which he suggests that

HR change champions are those directors and senior executives at the top of an organization who can envision, lead and implement strategic HR policy changes of a far- reaching nature." (Caldwell, 2001 p.45). But it is important to note that Ulrich (1997) believed that productivity would be increased if all roles were performed simultaneously. (Ulrich, 1997 p.303)

Based on the Ulrich model, we can conclude that: «the higher role of HR offices as change agent prompted their more critical job as administrative expert and the higher role as strategic partner prompted their significant role as change agent.» (Karasek, A. 2016 p.163).

He argued that employee champions convey skillful and submitted workers, authoritative specialists convey effective HR rehearses, change specialists convey limit with respect to change in individual conduct and hierarchical culture, and key accomplices convey business results. (Ulrich and Brockbank, 2005, p.23).

The Ulrich Model helps to analyze the roles of the specialist in the field of study, both in the administrative and human resources and in the business field. The main goal of this model is to enable the specialist to move from strategic management to administration. Also, according to Ulrich (1997) this should add to the authoritative common interests of workers and investors, and raise the expert remaining of HR. (Ulrich, 1997 p.69)

Wallis, a member of the Ricoh board of directors, says that for her organization, Ulrich's model helped strengthen the company's internal culture through corporate social responsibility (CSR). These actions, in turn, help the sustainable development of the business. "It gives us commercial perspective because we know from research that businesses want to do business with good, responsible companies; we know employees want to stay with responsible companies," she adds. (Wallis cited in Turner, 2017 p.4).

The advantage of the Ulrich model, in my opinion, is that it is intended not only for HR, but can also be used for business development by a line manager. Saleh said that some proposal are HR and line supervisor collaboration to affiliation Ulrich model execute together to guarantee worker selfimprovement effectively later on. Line administrator and HR can create exercises for worker and cooperating for viability coordinated effort among HR and line supervisors. "Therefore, HR and line managers added professional, specialists and experts in their fields and employee more knowledgeable at workplace." (Saleh et al., 2015 p.331)

A study by Becker and Huselid reflected the relationship between employee management in a company and firm performance. In corporations that make the most of HR practices in which workforce productivity enhancing work is involved, it has the highest market value per employee. Also, in their work said that the policy of the HR-specialist is critical in order to identify the market value of the corporation and improve this policy, as a result, can increase the market value of the company. Their conclusion is that successful companies will increase their operational performance and strategic achievement with the right people management. (Becker and Huselid, 1998 p. 53)

In my scientific work, I would like to study whether specialists in large international oil and gas companies use this HR model, and how it can help companies and managers at the moment of the crisis. For example, Bhatnagar and Sharma (2005) in their study found that the role of a strategic HR-specialist has a positive impact on the financial side of the company. (Bhatnagar and Sharma, 2005 p.1712). A study by Hailey et al. (2005) shows that the use of the Ulrich Model (1997) can increase the productivity of a company when the roles are properly combined. (Hailey et al., 2005 p.51). From this we can conclude that the Ulrich model is suitable for use in large companies

### **Criticism of D. Ulrich's concepts**

At the same time, criticism of this concept also takes place. But critics who are skeptical of Dave Ulrich's concept believe that Ulrich's model cannot always be used in the best possible way and that a universal approach is not enough for a successful strategy. Allan Boroughs, partner at Orion, told HR magazine that most of HR offices have put resources into something that seems as though the Ulrich model, however the venture isn't constantly utilized carefully. There are a few organizations who see the best approach to put away as tossing cash at the issue and trusting it will improve. He said that the approach should be more strategic than that. (Boroughs cited in Roberts, 2014 p.1)

Likewise, according to Pitcher (2008) in the workplace, many have frustrations with the Ulrich model. Thus, a lot of HR specialists were unable to apply the strategic partner model.

Only 47% of managers surveyed by Roffey Park said Ulrich's business partner model worked in some way in their companies. Every fourth employee of the company said that this model is ineffective, and the rest of the survey participants did not decide on the advantages of this system. Survey employees often commented on their frustration as "Too much reliance on the intranet", and "Greater conflict within HR". The managers interviewed criticized the model for what they believed to include only a name change, but did not change strategic thinking. (Pitcher, 2008 p.2)

Moreover, Bentley states that there is no clear understanding of the roles of the HR-manager in the context of this model. He also adds that a number of problems with this model are that heads of companies want a clear understanding from the personnel of the HR department, but this is impossible if HR employees do not have the competencies and training to move to this strategic model. Bentley notes that for the effective implementation of this model, line managers must also understand why the company needs business partners, otherwise this model will not bring success. (Bentley, 2008 p.5)

The explanation for these problems, according to Rousseau (2006), is that it is difficult for HR professionals to correctly interpret scientists due to poor scientific understanding. (Rousseau, 2006 p.23)

Also, Watson (2004) adds that often in the work of an HR manager in a modern organization there is a place for chaotic practice, rather than structured work described in specialized research. (Watson, 2004 p. 450) This finding by Watson echoes research by Deadrick and Gibson (2007) on the areas of interest of academics and HR professionals. Thus, in a study conducted in two academic and two highly specialized journals, Deadrick and Gibson, using content analysis of 4,300 articles, they found a huge difference between the interests of practitioners in the field of human resources and scientists, and the latter's lack of interest in the daily activities of specialists. Thus, they concluded that topics such as strategic HR management cover 30% of professional articles, and only 7% of academic articles can be found with similar topics. While practitioners are interested in the day-to-day aspects of their work,

academics focus on general phenomena and generalized research in their studies. (Deadrick and Gibson, 2007 p. 135).

Another problem is that it is difficult to verify the quantitative assessment of the cost of human resources due to the lack of standard indicators. "For example, human resource cannot depreciate like physical resources, nor do they reflect the net value of an organization as financial resources accomplish. Human resources are just as important as physical and financial resources. Regrettably, organizational leaders and managers frequently overlook this actuality since human resources not used to reflect the organization's achievement." (Saleh *et al.*, 2015 p.320)

But the problem with many human resource professionals is that they take the Ulrich model too literally. Professor Ulrich admits that no business model in this area can be exactly the same. He said that variation starts by ensuring that the HR association coordinates the system and structure of the business. One of the misapplications of 'the Ulrich model' is that there is one sort of HR structure that coordinates all circumstances. HR needs to adjust to the business prerequisites." (Ulrich, 2013 p.3) Thus, taking into account the current situation with the coronavirus epidemic, which has hit the business, we come to the conclusion that any implemented HR model cannot fully comply with the current situation and guarantee success.

### **Cutting employee**

For the oil and gas industry and, in particular, the HR department, this may mean that, in addition to staff reductions that still occur in companies, the strategy will radically change over a long period of time. HR segments in Kazakhstan are still very much tied to bureaucratic work and paid little attention to the strategic planning of employees' work in corporations. According to the former president of ICF of the International Federation of Coaching in the World Marsha Reynolds in Kazakhstan HR specialists are process-oriented and are more like specialists in work with documentation. "It's just that when the HR profession appeared in our market, ordinary personnel officers simply got this position. But the specialists did not understand the subtleties and nuances of this work, if only simply because

there was no training for this particular profession. HR-s now almost everywhere in our market are selftaught, because education in this has appeared just recently." (Reynolds, 2012 p.2)

Cutting personnel is one of the biggest and most difficult challenges for a global industry like oil and gas. The HR strategies of a company during the coronavirus epidemic and the resulting crisis can be divided into two types. Companies use patterns from previous years, laying off huge numbers of people, ignoring the employee's experience and the company's future needs for that employee. Another problem arises from this problem – the lack of a sensible negotiation process between a specialist in the HR department and a quitting employee. Often, in large companies, the HR department quite sharply announces the dismissal, without using any tricks to soften this news.

Steve Werner said that the point when cutbacks are totally essential, new difficulties emerge. Need to shield the excess representatives from being discouraged and overstretched; how to help the laid-off workers change; and how to lay the foundation for drawing in workers again when times improve. During recuperation, the best test is to draw in back the ability that left, and hold ability that might be disappointed with how they or others were treated during the slump. (Werner cited in Bonnin, 2017 p.1).

The reduction of employees is a very complex problem that requires a special approach. After all, companies must understand that the pandemic will end someday, and a valuable staff may be lost forever. Whereas a smart strategy with alternative approaches can help avoid firing or make it the least traumatic for the employee. According to Andrey Timoshenko, director of consulting services at KPMG, unlike the 2008 crisis, when the only strategy of companies was to lay off workers on a large scale, now the priority is to retain employees. (Timoshenko, 2020 p.1). Those companies that were able to find a way to retain valuable talent during the 2008 crisis ended up gaining a competitive edge and economic growth after the crisis ended.

According to Brian Kropp, vice president of research and consulting firm Gartner, HR leaders who respond effectively can ensure that their organizations stand out from the competition. (Kropp, 2019 p.4)

HR professionals and recruiters in difficult times in the oil and gas industry need to change the way they hire. Companies looking two steps ahead will look more at employees' skills than their previous experience, according to LinkedIn senior director Janine Chamberlin. She said that ground breaking organizations are zeroing in less on competitors' present work status and related past experience, and more on their adaptable aptitudes, individual credits and what they can extraordinarily bring to the business. (Chamberlin, 2020 p.1)

Long-term planning for team retention can help avoid future loss of competitiveness and talent drain. It will also change the hiring practices that HR and recruiting will face after the pandemic ends.

Analytical competencies and information management in the field of HR are also an important aspect of the work that needs to be paid attention to. According to Schramm, HR managers must have the ability to manage an information system in this area and have analytical forecasting skills in the area of personnel management. Using the above technologies, HR will help the company to reduce the administrative burden and costs. (Schramm, 2006 p.37). Ulrich confirms this, believing that this way the HR manager will have more time for strategic roles. In his opinion, HR should also have access to work with company executives to convey important information about the competition in the market. (Ulrich et al., 2015 p.56)

According to Professor James Beeson (2014), the reorganization system in companies has changed dramatically over the past decade. Quite a long time ago, "association configuration" implied getting a huge number of specialists to supervise a huge scope authoritative rebuilding, frequently expected to take out enormous pieces of cost during a financial decline. Despite the fact that that sort of update is as yet required intermittently, pioneers today are all the more regularly went up against with the test of how to discover cost efficiencies in specific pieces of their association to put resources into different pieces of the association that drive development. Therefore, association configuration is not, at this point simply an enormous detonation occasion. Or maybe it's a continuous nipping and tucking of authoritative assets to accomplish both development and proficiency at numerous levels: the

organization generally, the working gathering level, and even inside practical gatherings like HR and data innovation. So pioneers at various levels need to get in on the demonstration. (Beeson, 2014 p.2) But layoffs and hiring aren't the only big challenges HR managers are facing right now. The 2020 crisis and its consequences will not be similar to the crises of previous years (2008, 2014), since the problem with the coronavirus pandemic was added to the new crisis. COVID-19 has completely changed the way we work, forcing the whole world to live in new realities.

### COVID-19

Since March 13, 2020, Kazakhstan has faced the coronavirus epidemic, which has completely changed the way companies operate. This has not spared the oil and gas sphere; in addition to layoffs, companies have acquired a new experience of remote-virtual work. It also opens up new perspectives and at the same time challenges for doing business and new strategies for an HR specialist in particular. "Truly virtual organizations create new problems for human resource management. A company does not require a personnel function but its core management must be adept in managing people at a distance, some of whom may not be 'employees' as such." (Thomson and Mabey, 1994 p.688)

The transition from office work to a new, remote mode also has a difficult effect on the morale and mental state of employees. This reveals the second big problem in the sector that the HR manager faces. Isolation and abrupt change of workplace can lead to serious problems for employees, both business and personal for employees.

Ulrich said that ongoing examination has indicated that social segregation builds mortality more than smoking, corpulence, or substance misuse. HR can utilize innovation to make associations between individuals that make positive social encounters. (Ulrich, 2017 p.3)

For an HR professional, as it is more difficult to communicate with employees online rather than live. But at the same time, a human resources specialist can help unite employees who are physically far from each other for more effective work. "Internationally, a virtual shift system may operate when teams around the globe deal with the same project at different times, each group leaving progress

reports for the next as they conclude their working day. Virtual shifts operate in circumstances such as global investment or vehicle design." (Bradt, 1998 p.7)

HR employees also need to develop new strategies in order to preserve the corporate culture and work atmosphere while there is no access to the office. Difficulties may arise after working from home for so many months, and getting employees back to the office can be just as challenging.

The problem with the role of the HR specialist is that in large companies, the HR specialist performs an overly standardized function. John Boudreau, director of research at the Marshall School of Business, in his essay "The Strategic Role of HR" Boudreau (2009)explains the dangers of this practice and said that apparently the committed business partners are supporting the organizations in manners that do exclude fitting HR rehearses, but instead working with focuses of mastery and HR managerial assistance units to convey a variety of comparable services to the organizations.(Boudreu, 2009 p.278)

HR specialists in such a large industry as oil and gas should even now, during the height of the pandemic and the crisis, ponder personnel management after the end of the epidemic and tune in to deal with the consequences of the crisis in the oil sector. Mark Whittle, VP of Advisory HR at Gartner, believes that after the fight against the COVID-19 pandemic, we should focus on aspects of the workplace that will strengthen their organizations, i.e. build resilience and build a strong leadership team. In the HR Priorities Survey for 2021, according to consulting firm Gartner, developing new skills will be a priority for HR managers in the next year. According to the survey: "More than half (68%) of HR respondents said that critical competencies will be their main goal in the next year. The review also mentioned organizational design and change management (46%), current and future leadership (44%), future work (32%) and employee experience (28%). (Organizational structure and change management (46%), current and future leadership (44%), future work (32%) and employee experience (28%). The survey was conducted from June to August 2020 among 800 HR leaders out of 60 countries."(Whittle, 2020 p.2)

Thus, based on the information described above, we can conclude that the Ulrich Model with four central roles of an HR specialist will be relevant in the current crisis due to the coronavirus pandemic.

Business partner whose responsibilities include not only negotiations with clients and work in the field of recruiting, but also the solution of analytical problems, should help to find a vector for solving the problems that the company will face after the crisis. The business partner should point the way the sector under study will follow the entire HR team. This specialist will not fulfill the standardized HR role that many line managers and companies are used to. HR in this case, takes on the role of the leader of its team, an analyst with clear strategic thinking and a person whose proposed changes will be listened to.

The change agent continues the mission of a business partner, but only in a narrower direction. During COVID-19, the change agent must help employees to find out in time information about the changes taking place in the organization. For example, many oil and gas companies in Kazakhstan, in the midst of a pandemic and crisis, switched to three-day and four-day working days. A change agent must deliver this kind of information on time, without frightening employees with this kind of news and explain why the company has to take such steps.

The administrative expert at the time of the crisis will continue to perform the duties that he had before the start of the pandemic. But in the case of increased staff reductions, the administrative expert may have more work, and the employees may have more questions related to the Labor Law and internal company rules. In this case, the administrative expert must have sufficient knowledge to be able to clarify controversial issues to a company employee or trade unions.

The work of employee champion in times of crisis and pandemic will also increase. Since with the transition to a remote mode of work, many employees may have complaints, and this specialist needs to be attentive to them. The ability to convey some problematic points to the management is also part of the duties of a defender of employees, especially at this time, when employees sometimes do not have the opportunity to contact their superiors directly.

At the end of 2020 Dave Ulrich, in turn, offers 5 general principles for the development of companies that may follow after a pandemic. The first principle is "increasing the level of customization or personalization". In Dave's opinion, an organization will need to personalize its work to suit the needs

of its employees to be successful. different opportunities to work from home (with or without children, in a small apartment or a large house with a separate office) dramatically change the quality of work. He also notes that there may be fewer universal approaches in the work. The second principle is "redefining the boundaries of work from place to values" (Ulrich, 2020). Previously, large organizations created value for their company in a specific place, where the company was located. This was applicable to clients and investors as well as employees of the company. It is no longer enough to have a culture based on such values. A "right" culture means that values within the company create value for customers and investors outside the company. With a value frontier that defines work, employee actions are not tied to place, but to value created for customers. " The third principle is the "paradox of navigation". "Practice social distancing and avoid social isolation." This means that despite the fact that at this time the company's employees have not seen each other for almost a year, many companies continue to practice teleworking, the executive managers and the hr-team must make sure that every employee of the organization does not feel lonely, which can affect its performance. It is followed by the principle of "endure uncertainty." In this case, Dave Ulrich advises not to look through endless virus update reports, but to think more about how to adapt to the future. Anticipating the worst outcome and understanding how to deal with it can help a company cope with a crisis. Ulrich's fifth principle is "seeking advice." In times of crisis, every choice becomes even more important and requires attention to make the right decisions. And the adoption of such decisions comes from the recommendations of specialists. In a global crisis, HR programs must be strengthened. (Ulrich, 2020, p.1) Ulrich's model, to help human resources, and at the moment of the crisis in the sector I study and the crisis in time and after the coronavirus pandemic can help in this area. Outsourcing some of the roles and focusing on these 4 HR specialist models can help managers with the challenges that come with every crisis. Now the heads of the personnel department have the opportunity to change the usual structure of work, taking into account the world experience of their colleagues. Considering these 5 principles recommended by Dave Ulrich, we can conclude that at least a business partner, change agent and

employee champion/advocate will be necessary for companies to get out of the crisis with the least possible losses.

Change agent and employee advocate, for example, must focus on the third principle, the paradox of navigation. The change agent, for his part, must promptly inform all employees about innovations and answer questions of interest. Whereas the employee advocate should be more attentive to employees, learn about their mood during a protracted lockdown. This will not only help the employee not to feel left out while working remotely, but as a result, it can help maintain productivity as before.

The business partner should pay attention to the fifth principle described by Ulrich. The ability to ask questions and seek advice at a given time is a very important skill for an HR professional who has one of the main responsibilities of an analyst and problem solving.

As a result, we can come to the conclusion that this model remains relevant, and such additions well complement the existing system. Ulrich's model will be just as important during a pandemic and can help companies rebuild themselves into the new reality with the least amount of waste.

### Updated Ulrich Model

strategic or business	1. the main representative of the HR department	
partner	2. strategic HR planning	
	3. building relationships with an internal client	
	honest feedback to company employees	
	recruiter responsibilities (selection of candidates and new	
	vacancies)	
	according to Gregeby:	
	solving analytical problems in the organization	
	develop a new personalization strategy	
	rethink the corporate culture in the organization	

change agent	1.organize trainings		
	2.informing about innovations		
	informing about changes in job duties		
	instructing new employees		
	supports company innovations		
	collects employee feedback for adjustments and changes		
	provide information on the current working regime in conditions		
	of COVID-19		
administrative expert	negotiations with trade unions		
	knowledge of labor legislation		
	study in detail the Labor Code and the Civil Code of the Republic		
	of Kazakhstan, especially the chapter on force majeure		
employee	protects the interests of employees		
champion/advocate	conduct employee satisfaction surveys		
	accept complaints from employees		
	develop strategies for communicating with employees working		
	remotely		

### Figure 3

Due to the coronavirus pandemic, some functions have been added to the HR manager roles in the Ulrich model.

For example, a strategic partner, following the principles described by Dave Ulrich (Ulrich, 2020), needs to develop a new personalization strategy, both for employees and for internal customers. This means that the HR manager must find ways out of the situation that would be atypical in normal times. It may be necessary to change the approach to organizing quarterly meetings with employees. This leads to the second principle - rethinking corporate culture. Many employees have not been to their offices for almost a year, have not seen their colleagues, and it is quite difficult to maintain the

corporate spirit at such a time. A business partner must think about new strategies that would help not to lose the overall team spirit among employees.

The change agent, in addition to the standard work of informing employees about innovations, will also need to inform employees about the current status of the coronavirus in the company and the world. This must be done carefully so that company employees do not feel scared and do not feel the hopelessness of the current situation.

An administrative expert should study in detail the chapter of the Civil Code of the Republic of Kazakhstan on force majeure, because the current coronavirus epidemic fits this description. Also, the administrative expert has to do the most unpleasant part - the reduction of employees, since during a crisis, there will be much more of these procedures than at any other time.

The employee advocate should develop strategies for communicating with workers from home. These strategies should include not only business and informational, but also entertainment. So perhaps the employee champion should think about what virtual quiz and other games can be made that do not require real presence to maintain the spirit of the employees. This specialist needs to be especially attentive to employees whose moral and mental health during the lockdown regime could be shaken. Here, the duties of a defender of employees overlap with a business partner. But if the business partner is to develop common corporate strategies, then the employee advocate must focus on each employee.

Based on world experience and research on this topic, identify the necessary skills that an HR specialist will need at this time in the industry in Kazakhstan. Assess potential risks and predict the possible development of this area in Kazakhstan after the end of the crisis and the coronavirus pandemic.

In my work, I would like to reflect how important a specialist in the personnel department is in a system that covers not only this industry, but also affects the welfare of the country in one way or another. Do not forget that the oil and gas industry is still strategically important in Kazakhstan, and the crisis in this sector covers a huge number of areas where the stakeholders are the country's government, companies and the local population. Typically, governments strive for sustainable economic growth through oil and gas production; "Oil and gas companies strive to maximize returns for shareholders, and local communities strive for tangible prosperity." (Kim*et al.*, 2017 p.8)

I am interested in examining the role of the hr specialist in this time of crisis through the prism of foreign oil companies operating in Kazakhstan. In order to achieve the set goals, it is important to look at the company's problems from different angles from the side of the top management, company employees and directly the HR specialist.

### Chapter 3

### **Research Methodology**

A questionnaire will be conducted among hr-specialists, recruiters, company employees (field and office workers) and executive managers of international oil and gas company represented in Kazakhstan.

The research will be carried out by a qualitative method, including interviews with the listed employees of the company. A small panel study will also be conducted on what mode (office or remote) the employees of one international oil and gas company, represented in Kazakhstan, want to work in.

I interviewed 15 employees of an international oil and gas service company. This company began its work at the beginning of the last century. The company operates in more than 85 countries around the world, with headquarters in Houston, Paris, London and The Hague. It has been represented in Kazakhstan for over 25 years.

The survey was conducted in the form of a qualitative interview using the in-depth method. I chose this method because the in-depth interview method helps to find hidden information that is more difficult to obtain by asking direct questions. I would like to note that different questions were developed for each category of interviewees. Also, during the interview, I tried to focus on the moments that, in my opinion, would be good for the respondent to reveal. Also, the questions were designed so that the respondent could not answer them with a monosyllabic answer (yes or no) in order to better reveal the topic. The developed questions are based on the theories of Dave Ulrich and his Ulrich model describing the functions of an HR specialist. All respondents were divided into categories: 1. HR specialists (2 respondents)

- 2. Recruiters (2 respondents)
- 3. Leading managers (3 respondents)
- 4. Engineers with more than 5 years of experience (4 respondents)
- 5. Engineers with no more than 2 years of experience (3 respondents)
- 6. Field engineer (1)

The respondents were between the ages of 24 (all engineers with no more than 2 years of experience) to 47 years (leading managers). Of these, 7 interviewed specialists are women, the remaining 8 are men. In my research, I would like to find out how effective an HR specialist is in such large international companies, including during the 2020-2021 oil crisis and the crisis associated with the coronavirus epidemic. What is the role of the researched specialist in this area and can HR be effective in the company, physically located in another location? Since the branches of the company are located in different cities of Kazakhstan, and the head office is not located in Nur-Sultan and HR in this company does not perform its functions in the office of Nur-Sultan, I would like to understand how effective this model of work is. Also, taking into account that this is a large transnational company, many decisions, comments, innovations come from offices in countries that are geographically located far from Kazakhstan. How much does it affect the work of an HR specialist and the company's employees? In my research, I relied on Dave Ulrich's well-known model that describes 4 strategically important

roles for the HR specialist. Based on this model, questions were drawn up to the respondents. The preparatory period for the interview took a month. Since January 2021, I have made appointments with respondents. Some of the interviews were conducted live, some were online, since some of the respondents were not physically in Nur-Sultan. On February 1, I started conducting interviews with respondents. Each interview took from 25 to 50 minutes, depending on how the interviewee could answer the questions of interest. The last interview was conducted on February 28, 2021.

### **Chapter 4**

#### **Fieldwork analysis**

Interview with HR specialists.

I conducted in-depth interviews with 2 managers of the company located at the head office in Atyrau. And also, with 2 recruiters of the company, one of whom is located in Nur-Sultan, and the other in Moscow, Russia.

The duties of the chief HR representative (1) include hiring employment process, employment coordination process, conducting HR inductions, coordination personal work assignment changes, coordination of termination process, conduct constant communication with employees, taking care of requires from employees, personally requests, coordinating relocation process. Her duties include coordination of senior awards, (validation, receiving distribution.) Coordinating social events or different kind of events (8th March event, New Year event). That is, based on the above answer to HR 1, we come to the conclusion that it performs all 4 functions in the Ulrich model.

Responsibilities of the HR administrator (2) are the general maintenance of all personnel documentation, communication with personnel and customer representatives, transfer and dismissal of employees to the company, registration of annual vacation schedules. In other words, HR 2 only deals with documentation work.

HR 1 states that analytical tasks fall within the scope of her responsibilities. For example, a company often has to analyze and issue any results upon request, keep statistics, and prepare responses to government agencies. HR 2 deals exclusively with document-related activities, but emphasizes that the company hosts a quarterly meeting of HR specialists during this meeting, each team member can contribute and express their point of view regarding planning. But the approval of the plans remains with the HR manager. "HR in the company is divided into locations, to which they are approved and, accordingly, cover all aspects of work at this location, including building relationships with an internal client. That is why employees contact their local HR representative on the issues that have arisen," says HR 1.

When asked how the interviewee HR 1 resolves problematic issues with trade unions "difficult employees", the interviewee emphasizes that in negotiations with trade unions or difficult workers, the basis is always the legislation of the Republic of Kazakhstan and internal company policies. That is, the representative of the HR department takes on the functions of an administrative expert. At the same time, HR 2, answering the same question, says that these procedures are not within its competence.

HR 1 emphasizes that their team conducts educational trainings on a quarterly basis. "For example, the last time it was an online training for all locations in Kazakhstan on the introduction of a new application (app) within the company's network," she adds. HR 2 directly answers the question that it is not her responsibility to advocate for the interests of employees. "No, it is not my responsibility to defend the interests of employees, since I am the employer's side. But the company has a group of employees who represent the interests of employees at various meetings and committees."

In general, despite the fact that both specialists cover two functions of the three defenders of employees, they cannot be called such. Both respondents still defend the interests of the company, rather than the employees of the firm. But if the first HR is engaged in analytical activities, develops new strategies and participates in educational trainings, then the second HR is busy only with bureaucratic matters, such as sick leaves or vacation orders.

In table number 3, I conducted a comparative analysis between an HR manager and an HR administrator in the interviewed company. It clearly shows how many functions each Ulrich model specialist covers.

		HR #1	HR #2
strategic partner or	the main representative of the HR		
business partner	department	~	×
	strategic HR planning	~	×

	building relationships with an	~	<ul> <li>✓</li> </ul>
	internal client		
	honest feedback to company	~	✓
	employees		
	recruiter responsibilities (selection	×	×
	of candidates and new vacancies)		
	according to Gregeby:	~	~
	solving analytical problems in the		
	organization		
change agent	organize training	$\checkmark$	×
	informing about innovations	~	~
	informing about changes in job	~	~
	duties		
	instructing new employees	×	~
	supports company innovations	~	~
	collects employee feedback for	~	<ul> <li>✓</li> </ul>
	adjustments and changes		
administrative	negotiations with trade unions	~	×
expert	knowledge of labor legislation	~	<ul> <li>✓</li> </ul>
employee	protects the interests of employees	×	×
champion/advocate	conduct employee satisfaction	~	×
	surveys		
	accept complaints from employees	~	~

#### Recruiters interview (1, 2)

Recruiter 1 is recruiting employees in Kazakhstan, Uzbekistan, Azerbaijan and Turkmenistan. Recruiter 2 deals with the same duties in Moscow. Responsibilities of the respondents include personnel search, recruiting, testing and assessment, consulting on candidates, analyzing the personnel market depending on the region, conducting final interviews, conducting various stages of additional recruiting, interaction with universities. From this it can be concluded that the respondent has some functions of a strategic partner for Ulrich (1997).

The organizational structure in the company is built in such a way that although the main representative of the personnel department is the chief HR manager in Kazakhstan and Uzbekistan, the head of the recruiting department and the line manager of the interviewee is a manager who is located in the office in Moscow.

The company has a specific HR strategy, but the documents are confidential. If an employee is interested in a specific question related to HR activities, he can ask it on the internal corporate portal, where he will be assisted by 24/7 HR specialists. The headquarters of the Russian-language portal is located in Tyumen.

When asked who is engaged in strategic planning in the field of recruiting, recruiter 1 answers that the request comes directly from certain business lines. "Business lines in this company are segments that may require certain specialists upon request. The production lines do planning for the quarter and for the year, after which all information is sent to the main headquarters of the company, which are located in Houston and Paris, and only after agreement with the headquarters is recruited for the position, "he adds. Such a solution may not always be convenient for a multinational company. For example, a respondent described a case when a headquarters from an office in Paris requested the opening of a recruitment of new employees in Azerbaijan in August 2020. "There was martial law in the country and there was no question of any recruitment. I had to explain to the head office that at the moment this task

is impossible. " Another similar example was already in Kazakhstan. At the time of January 2021, the selection of new employees began in many branches of the company. "For example, in Canada, which provided security guarantees during COVID-19, such events began on time. Headquarters in Paris were asked to start the selection procedure for trainees in Tengiz (West Kazakhstan region) where at the time of the request there were about 200 cases per day every day. I had to inform the headquarters again that at the moment it is impossible to recruit employees for this location due to COVID-19 lockdown. " Such misunderstandings would not arise if the heads of recruiting were localized and could track the situation in the country and the region. It can also be concluded that the recruiter in the company gives his recommendations to the head office, which may also indicate the analytical responsibilities of the respondent.

Both recruiters are engaged in building relationships with an internal client. In this case, the internal client is the university representatives. Communication takes place directly with the university's career center.

The respondents do not give feedback to employees, as soon as a candidate is hired, he is completely transferred to the HR department.

With regard to productivity during the coronavirus, the company managed to avoid large losses, and it was able to switch to online mode more easily, because even before switching to remote work mode, the company had a Plan B. As recruiter 1 told, for example, selection stages were carried out in the Russian branches of the company new employees online, and at the moment the Kazakhstani branch has just adopted some of the tools from its Russian colleagues. Here we can draw a parallel with Dave Ulrich's 5th principle - "seeking advice". Being able to ask questions and seek help from older and experienced colleagues during difficult times can make the job much easier.

Recruiter 2 adds that work has changed a lot since the onset of the epidemic. "We have had many business trips to universities. Now everything has gone online, and, on the one hand, this is a plus, since time is saved very much. But not everyone is still accustomed to such a regime. Live communication is always better, "she says.

Summing up the results of the employee interviews, we can conclude that both of the interviewed specialists in this area are Strategic Partners and cover only 3 functions of this model: building relationships with an internal client, recruiting responsibilities and strategic planning in a narrow direction. Which in fact is not a bad indicator, because, firstly, these specialists are engaged exclusively in recruiting, that is, they initially have limitations in their activities. Secondly, in my opinion, a strategic partner in the Ulrich model is one of the most important aspects of a specialist's work, and the presence of a strategic partner is, in my opinion, an indicator of the company's success.

### Managers interview.

Three heads of commercial services of an international oil and gas company were interviewed, one of them (interviewee 1) is the head of his unit for the Caspian region, the second (interviewee 2) is the head of a department in Kazakhstan, and interviewee 3 is the technical head of the department. Interviewee 1 is responsible for coordinating the work of a team of sales engineers, making forecasts for revenue, and formulating sales strategies. Also, the employee's responsibilities include organizational issues, for example, the organization of teamwork. Interviewee 2, in addition to managing his small team, is developing the direction he is leading. "I am a kind of link connecting our customers and our headquarters (the company is headquartered in Paris and Houston). That is, I have to collect feedback from customers about our products, the service provided and effectively broadcast them to the main office. I have to convey to the top management the essence of the problems faced by our customers (internal customers). "Interviewee 3 is looking for new opportunities to develop her business segment, supporting young professionals and communicating with customers. Also, it is worth seeing that she is a team leader in her team.

It is worth noting that interviewees 1 and 3 are expats who took up their duties in Nur-Sultan from April 2020, while interviewee 2 has been the leader of his team for more than 5 years.

According to Interviewee 1, who has 10 direct reports, including people from the back office, he needs to know that everyone understands their responsibilities. "You need to make sure that the employee gets

the right motivation, knowledge and tools in order to do their job, especially when working with customers - this all requires coordination." From this we can conclude that one of the points of the business partner, namely strategic planning, is covered by the interviewed manager.

Manager 2 noticed that when working with internal clients, the head of the department needs to have knowledge not only in the technical field, but also to have soft skills in order for the customer to contact the team. In this part, we see that customer 2 directly describes one of the roles of the HR manager for Ulrich - the business partner. Also, the responsibilities of respondents 2 and 3 include monitoring the personnel potential of their team. It is they who determine what new employee the company will need in the near future and what professional skills are required from a specialist.

Interviewee 1 also mentioned that the work of an HR specialist in a company is very overloaded and his work with an HR manager is often limited to the most necessary things. The same idea is taken up by the respondent 3, who believes that due to the limited number of HR specialists, the quality of work is being lost. Interviewee 3 also believes that HR is needed at every location. "When I was supposed to be transferred to Angola, there was an HR from our segment who helped with relocation, documentation related to the move and many other issues. Also, local HR contacted Angolan HR representatives and they resolved issues. The entire offer was also formed through HR ". Note that in Kazakhstani representative offices of the company, an HR specialist is responsible for several locations in general, unlike Russian ones, where HR is in each segment. (A segment is one of the departments in the company).

The manager and the HR specialist unite when the question arises of transferring a subordinate to another location, dismissal or promotion. According to Ulrich, this aspect was part of the strategic business planning, which the business partner deals with.

Interviewee 1 needed a consultation with an HR specialist because he had previously held a managerial position in the Russian Federation, and geographic changes were required to find out the current rules and restrictions in Kazakhstan.

In the case of hiring employees, interviewed managers 1 and 2 are satisfied with the current situation. "I am satisfied with the current system of employee selection, since we play the main role in the selection. We have not had a situation when a candidate was imposed on us, which absolutely does not suit us. In this regard, hr's role is to assist the manager, not as a guide. " - adds manager 1.

Interviewee 1 noted that assistance in resolving conflict situations depends on the situation. "If problems with an employee require disciplinary action, then you cannot do without an HR specialist," he added. The manager also emphasizes that it is better to involve HR at the early stage of the conflict, because there are many points that may require knowledge of legislative and legal norms. From which it follows that in an HR organization it is still necessary to play the role of an administrative expert according to Ulrich, who would know the laws of both the corporation and the country in which the organization is located.

Interviewee 1 said that due to the onset of the coronavirus pandemic, he feels a lack of communication with his subordinates, as well as with HR managers in the company. "It is known that a person perceives 70% of information from facial expressions and gestures, so there is not enough live communication with employees," he adds. In turn, interviewee 2 does not feel any restrictions in the process of communicating with subordinates and colleagues via corporate mail and Skype. The respondent is comfortable working in these conditions.

Layoffs are also part of the responsibilities of senior executives at the company. Manager 2 said during an interview that the solution to such a complex issue is always done in several stages. Initially, interviewee 2 always tries to talk to a subordinate and, if possible, avoid firing an employee. Here the manager appears as a change agent who helps the employee to correct any work points. In the interviewed company, all employees give feedback on their work to managers at the end of the year, which helps managers to find out what problems are in the company, in the team and directly from the manager. These actions are also performed by the change agent according to Ulrich. Change agent collects employee feedback for adjustments and changes.

Manager 1 stated that his subordinate can always approach him with work problems or conflicts with colleagues within the team. "There are many such situations, it happens. The first point of contact for an employee in this case is his immediate supervisor. Practice shows that just a joint analysis of the situation by the employee extinguishes the conflict, "he adds. Manager 3 also emphasizes that in the event of a conflict, subordinates will address the problem to her, and not to HR. Summarizing the aforementioned interviewees, we understand that here the manager acts as a protector of the employee, or if a conflict occurs between two of his subordinates, the leading manager acts as a mediator. It is worth noting that the company has a practice of exchanging opinions between the HR team and the functional managers who manage the team. This is especially true for a location that is far from the main office (Atyrau) where HR is located. HR does not have the ability to see all employees communicate with them, so such an exchange is important for them.

It can be concluded that due to the fact that the main office of the company in Kazakhstan is located in Atyrau, senior managers often take on the role of HR. According to Ulrich's model, the interviewed department heads in the company cover the roles of a business partner, change agent and administrative expert - directly, and indirectly, depending on the situation, can act as a protector of employees. But it is worth noting that Interviewee 3 believes that the assignment of some responsibilities to the technical manager (for example, the relocation of subordinates) is too much of a burden on him. That is, not all managers are ready to take on some HR functions, and in this matter they cannot be condemned. Since segment leaders have a huge number of roles to play and take on the HR role for their subordinates, the quality of work will inevitably decrease.

Analysis of experienced employees and young professionals.

4 engineers who work in the office in Nur-Sultan were interviewed. These engineers have work experience from 4 to 9 years, i.e. these are experienced employees who have faced various issues related to the HR department in the company during their careers.

All 4 respondents contacted HR only for documentation issues, issues related to cash payments and relocation.

Those interviewed at numbers 6 and 7, in case of possible conflicts at work, would turn to their direct manager, not HR. In general, these respondents believe that their boss will help them resolve many issues. That is, two employees see in their executive managers as a change agent and a defender of employees according to Ulrich. Interviewee 4 found it difficult to answer this question. Interviewee number 5 has a negative experience with her manager, while adding that "HR will also take the side of the bosses in conflicts, and not on the side of the employee," that is, we can conclude that interviewee number 5 has no trust in HR. Also, the respondent, faced with a conflict situation with her superiors, did not turn to anyone. According to her, at that moment, she did not even think that it was possible to contact the HR manager with such a problem. The respondent believes that it is an oversight of the HR department not to report such options to young specialists who have just joined the company. "There was no trust either in HR or in higher management. HR didn't give a sense of security. The HR competence needs to be stronger. And until now we are not told that when such situations arise, so that we turn to HR. They talk about conflicts of interest, talk about rules when you see workplace theft, etc. but they don't talk about who to turn to when there is a conflict with a superior manager," says interviewee number 5. Here we can conclude that the role of defender of employees according to Ulrich for respondents' number 4 and 5 is not occupied by either HR or a senior manager.

All engineers believe that HR is on the side of the company, not the employee.

Respondents 4 and 6 would like HR to take an active role in employee relocation. Since the studied company is international, many employees of the company would like to work in the representative offices of the company in other countries. In their opinion, HR could, but do not contribute to this development of events. "They have tools to track the required employees around the world, but they don't use it," says respondent number 4. Here we can conclude that there is a problem in the strategic planning of the career development of employees among HR representatives in the company. According to the interviewee number 6, if there is a need to fill managerial positions, they are filled with the participation of the personnel department from Russia; such windows are rarely filled by local

personnel. That is, repeating the words of the interviewed manager number 3, engineer number 6 only confirms that in a neighboring country the HR level in the company is higher than in Kazakhstan.

Three (8, 9, 10) young specialists took part in the interview, whose work experience at the time of the interview was no more than 2 years in the company. All three employees believe that the HR professional needs to improve communication with employees. They would like more attention to themselves, so that HR is interested in their career plans. That is, they lack the role of a change agent according to Ulrich, namely the function of a specialist who would collect information on job satisfaction. Employee 8 admits that this would make him feel more important to the company. All 3 specialists, in case of problems, would contact their managers.

## Field engineer

Interviewee number 11, company field employee with over 10 years of experience. Describing her experience, the employee recalls that when she just got a job, in a location where there are usually no girls due to difficult working conditions, the HR manager of the company came to us and from time to time inquired about the emotional state of the respondent. "I think she was the only manager who was interested in the state of employees. After that, I have never seen anyone asked such questions," says interviewee number 11. In this example, we see the clear role of the change agent according to Ulrich. This situation confirms how important it is for the HR professional to apply the Ulrich model, and how it helps the employees of the company. The state of employees directly depends on the behavior of HR, especially in such an industry, where they often have to work in difficult conditions. "HR needs to see in what conditions field workers have had to sleep or what kind of food they have to eat. I believe that HR should not just sit in the office, actively participate and know what is happening at remote locations," she adds.

In her opinion, in such a multi-national company, in which people have the opportunity to learn and develop as specialists in their field, in a company that invests a lot of effort and money on the development of new employees, you need to have a clearer and stronger HR position in Kazakhstan.

According to interviewee number 11, in addition to the direct manager, HR should also monitor and analyze, and try to provide the best conditions so that the specialist does not leave the company. "At the moment, it is easier for HR to let go of an employee who wants to leave and recruit new ones. It's not productive and wrong, "she adds.

#### **Summary of fieldwork**

This target sample of specialists in the company was not made by chance. Since after a survey of HR representatives in the company, it became clear that specialists are active defenders of the company, and the study cannot be honest and complete if we do not consider employees with different work experience and in different positions.

After interviewing people at different locations and with different work experience, I came to the conclusion that a certain ambivalence is visible in the judgments of the respondents. They do not need HR at the location, but at the same time they want a more attentive attitude from HR managers. Here we can conclude that there is some misunderstanding of the work of HR, which is why these claims arise. In this case, the company should think about how to nevertheless expand the circle of HR specialists who could be not only specialists working with documents, but also real employees who would include all 4 HR models according to Ulrich. On the other hand, it is clear that the company, understanding the current situation, helps top managers to properly prepare for this area of their work. So, for example, any managing employee is obliged to undergo certain training, the purpose of which is to work correctly with subordinates, evaluate them and give feedback.

In my opinion, in large companies where the HR team is physically unable to cover all the functions of the Ulrich model, and the financial crisis does not make it possible to open new HR positions, the practice of assigning these roles to the immediate supervisor may be a solution. In this company, we see that such a system of communication with subordinates takes place. But at the same time, analyzing the words of manager number 3 and one of the interviewed office workers, this model may not be suitable for everyone. If a conflict is brewing between an employee and his direct supervisor, HR in Kazakhstan,

based on the answers of the interviewed employee number 5, does not cope with the work of a mediator or employee's advocate in the Ulrich model. The interviewed field employee believes that the problem is in the analytical component of the HR team in the company. That is, the model of a strategic partner in the company is at a low level.

As for the interviewed engineers, in their opinion, the role of HR should not be limited to documentation work, while all office respondents state that they do not really need the specialist under study at their location. The company has a well-developed networking, there is internal HR support associated with all questions regarding documentation, which is carried out 24/7 by specialists located in Tyumen, Russia. In my opinion, companies in Kazakhstani location need to seriously think about and conduct research on the role of HR in the organization. This company is famous for the fact that every year it recruits a large number of young professionals without work experience. The company under study sends employees at its own expense to specialized schools for 2-3 months, which are located in countries such as Paris, the United Arab Emirates, the Netherlands and the United States. But, unfortunately, after a few years, young specialists, having turned into experienced engineers in their field, often leave the company. Some do not see the prospects, some are dissatisfied with the fact that they cannot transfer to branches of the company in other countries, some do not have enough career growth. All respondents, directly or indirectly, shifted the blame onto the HR specialist. But it is also possible to understand HR workers in this situation. The staff of these workers for such a number of employees throughout Kazakhstan is negligible. Also, you can see that HR is not a fully strategic partner in the company, at the level of segment managers.

From this we can conclude that the financial component of the company indirectly suffers from the actions of HR. A company where HR does not perform well as a strategic partner loses valuable staff, which can subsequently result in multimillion-dollar company losses. To avoid such problems, the analytical part of the business partner must be fully disclosed. HR must analyze the reasons for the departure of company employees, and for this it must carefully collect feedback from company employees. And here, the business partner smoothly turns into a change agent. After analyzing all the

interviewed employees of the company, in the end, we can come to the conclusion that the agent of change and the strategic partner, these are two Ulrich models that the company needs in the first place.

## **Chapter 5: Conclusion**

In this study, I wanted to reveal the role and effectiveness of an HR specialist in a company specializing in the field of oil and gas, represented in Kazakhstan.

To address this question, I chose the oil and gas service company, the largest on the market in Kazakhstan, and interviewed various employees of this company. In order to formulate questions, I turned to the works of the famous American scientist Dave Ulrich and his Ulrich Model, which helps to functionally divide the HR representative into 4 roles. During the research, I realized that interviews should be conducted not only with employees of the HR department of the company, but also among employees of different positions. This approach, in my opinion, showed a more comprehensive picture. Based on the results of the interviews, it can be concluded that the company needs a closer connection between employees and HR.

In general, a huge advantage of the company is actively developed networking, which facilitates the work related to documents for both HR and employees. Also, an undoubted plus is that the company and the HR department, in particular, are trying to change, quickly adjusting to such unforeseen situations as the coronavirus epidemic. Since the HR responsible for the location in Nur-Sultan was physically always located at the company's headquarters in western Kazakhstan, during the remote work mode, this did not affect the quality of the HR service in the field of workflow, and they were quite well prepared for such a situation.

But it is obvious that there will be a need for transformational changes in the HR specialist after the pandemic. With the arrival of COVID-19, a lot has changed in the course of work, and this will undoubtedly affect the HR department.

HR should be more attentive to employee requests, as there is a direct correlation between how employees leave the company and how the company listens to employees.

The author advises the company to pay attention to the analytical component of the HR specialist's responsibilities. The HR department cannot be entirely blamed, as you can see that the local HR specialists are not given so much freedom of action and the ability to make decisions at a serious level

in the company. Many of the interviewed employees did not feel interest in their person on the part of HR. Thus, the author comes to the conclusion that it is possible that this location still needs its own permanent HR specialist.

It is also necessary to reconsider the very role of an HR specialist in the eyes of company employees. For some employees, HR is just a person working with documents. That is, there is no clear understanding of what exactly HR should do.

From this research I can highlight a new research question. How will the work of the HR department change after overcoming the crisis that the oil and gas sector faced after the end of the pandemic. The issue of transformation of HR work is necessary after such changes in the world and in the sector as a whole. HR professionals will need to think about how to be emotionally "closer" to the employees of the company, since during the interview, all office workers would like more attention to their career plans in the future.

It should be noted that the limitation of this dissertation was that due to the limitation of time it was not possible to see the replication of the findings in other companies which could be perhaps the point of start for future researchers on this topic.

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# **APPENDIX 1: Fieldwork in-depth interview questions**

Questions for the HR

1. What is your position? What are your responsibilities in the company?

2. Does your company have a specific HR strategy?

3. Who is the main human resources representative in the organization you work for?

4. Who is involved in strategic HR planning in the company?

5. Who is involved in building relationships with an internal customer? (An internal customer is a person directly related to the organization, such as a shareholder, stakeholder, lender)

6. Who gives honest feedback to company employees?

7. Do you include the selection of candidates for the company? How does it go? What qualities do you think should be possessed by a specialist engaged in this work?

8. What analytical tasks do you deal with in the company? Please give an example.

9. Have you had any experience in organizing trainings or other training events in the company?

10. Do you have a duty to inform the company's employees about innovations?

11. Do your job responsibilities include informing about job responsibilities of employees / coaching new employees?

12. Do you collect employee feedback to correct changes?

13. Do you have a responsibility to negotiate with trade unions / difficult (problem) employees?

14. Have you encountered situations in your work when you needed knowledge of the Labor Code of the Republic of Kazakhstan / internal company laws?

the republic of razaklistan / internal company laws.

15. Is it your responsibility to advocate for the interests of your employees?

16. Has your strategy changed since the start of the coronavirus pandemic? How has your job changed? Are you applying any new strategies in this situation?

# Questions for the managers

- 1. What is your position? What are your responsibilities in the company?
- 2. Does your work overlap with the HR manager in the company? Give examples
- 3. Have you ever had a case where the HR specialist needed to give you feedback? Give examples

4. At what stage are you involved in the recruiting process? Are you satisfied with the folded system? Do you think it can be improved?

5. Do you think there is a need to involve an HR specialist in solving analytical problems?

6. How are the channels of communication between the HR specialist and you built?

7. Do you need help from an HR manager in resolving conflict situations with company employees?

8. How has the coronavirus pandemic affected you when communicating with an HR specialist?

Questions for the office employees

1. What is your position? What are your responsibilities in the company?

2. Does your work overlap with the HR manager in the company?

3. Have you ever had a case when an HR specialist needed to give you feedback? Give examples

4. Were there any cases when it was required to involve an HR specialist in solving work problems?

5. How are the communication channels built between the HR specialist and you?

6. Do you need help from an HR manager in resolving conflict situations with colleagues and a manager? If not, at what stage does HR get involved in this process?

7. How has the coronavirus pandemic affected you when communicating with an HR specialist?

8. What would you like to improve in working with HR?

9. How do you think HR is needed in your company?

Questions for the field engineers

1. What is your position? What are your responsibilities in the company?

2. Does your work overlap with the HR manager in the company? Give examples

3. Have you ever had a case when an HR specialist needed to give you feedback? Give examples

4. How are the communication channels built between the HR specialist and you?

5. Do you need help from an HR manager in resolving conflict situations with company employees? Have you encountered situations of a similar nature? Was there any help from HR in resolving such situations?

6. How has the coronavirus pandemic affected you when communicating with an HR specialist?

- 7. What would you like to improve in working with HR?
- 8. How do you think HR is needed in your company?

# **APPENDIX 2**

Interview Consent Form

Research project title: The role of HR in international oil and gas company in crisis

Research investigator: Ainur Zharmukhambetova

Research/Interview Participants name: \_\_\_\_\_

The interview will take 30-40 minutes. We don't anticipate that there are any risks associated with your participation, but you have the right to stop the interview or withdraw from the research at any time.

Thank you for agreeing to be interviewed as part of the above research project. Ethical procedures for academic research undertaken require that interviewees explicitly agree to being interviewed and how the information contained in their interview will be used. This consent form is necessary for us to ensure that you understand the purpose of your involvement and that you agree to the conditions of your participation. Would you therefore read the accompanying information sheet and then sign this form to certify that you approve the following:

All or part of the content of your interview will be used ONLY for this course assignment;

the interview will be recorded and a transcript will be produced. If you disagree the interview to be audio recorded, please, note here in a hand written form here:

any summary interview content, or direct quotations from the interview, that are made for course assignment will be anonymized so that you cannot be identified, and care will be taken to ensure that other information in the interview that could identify yourself is not revealed you will be sent the transcript and given the opportunity to correct any factual errors the transcript of the interview will be analysed by Ainur Zharmukhambetova , as research investigator access to the interview transcript will be limited to Ainur Zharmukhambetova and academic colleagues and researchers with whom he might collaborate as part of the research process the actual recording will be (kept or destroyed state what will happen) any variation of the conditions above will only occur with your further explicit approval

Or a quotation agreement could be incorporated into the interview agreement

**Quotation Agreement** 

I also understand that my words may be quoted directly. With regards to being quoted, please initial next to any of the statements that you agree with:

 I wish to review the notes, transcripts, or other data collected during the research pertaining to my participation.

 I agree to be quoted directly.

 I agree to be quoted directly if my name is not published and a made-up name (pseudonym) is used.

By signing this form I agree that;

I am voluntarily taking part in this project. I understand that I don't have to take part, and I can stop the interview at any time;

The transcribed interview or extracts from it may be used as described above;

I have read the Information sheet;

I don't expect to receive any benefit or payment for my participation;

I can request a copy of the transcript of my interview and may make edits I feel necessary to ensure the

effectiveness of any agreement made about confidentiality;

I have been able to ask any questions I might have, and I understand that I am free to contact the researcher with any questions I may have in the future

Printed Name

Participants SignatureDate

Researchers Signature Date

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