

Tuesday, May 30, 2006

Telephone Interview with Paula Sharp - 9:00 a.m.
Jeff Heller and Stephanie Moore
JSH Notes

Jeff Heller gives introduction.

Paula: I started at Unocal August 1977 in Beaumont. I was in a unionized clerical position, then promoted to leadership level. I was doing office related assignments, administrative services. I started gradually to get HR projects. I became office manager at Beaumont Refinery for 11 years. Then went to Unocal, Lemont, IL, in 1988 as office manager there -- mix of responsibilities including HR. In 1989, a joint venture took place and then I moved into HR. There was a long time union lockout in 1996. Unocal-- then sold to Citgo -- I found another job at Lyondell/Citgo in June 1997. I was training manager for six months. Then I became HR Operations Manager -- some of the basic HR stuff. In Pasadena, TX, I was there for three years and then at the plant, the joint venture began to unravel. Then I was recruited to BP in E&P. I started in San Juan Basin. I helped with the Vastar transition in San Juan in 2000. Ultimately, I followed Jim Kaper in the Mid-Continent BU, then that became Onshore. I stayed in this to 2004 when I went to TXC. Lateral move. The lure of this move, since it was lateral, was to be head of HR for SHIS. March 2004. Then in April 2004, Innovene was announced. There was a formal announcement to take down of SHIS. And we then had to redefine all the SHIS relationships in SHIS--HR, HSSE, DCT, etc. so had to redefine all these shared services role.

I was somewhat recruited by Don Parus. I met Parus at a D&I meeting. I kept up with him and then had to apply for the job.

We ran a severance program at end of 2004 with various shared services--had more people than we needed in some areas. So, we rearranged job duties and we had some extra persons. The operations side was not involved, just the functional side.

I became HR Manager for TXC, I never really was HR Manager for SHIS--intent had been for me to orchestrate HR for all three sites--Chocolate Bayou, Pasadena and TXC. But this was not done.

My accountabilities changed. I was originally to cover recruiting, compensation, labor relations. When we re-did the organization at end of 2004, I inherited learning and development, internal communications and D&I. So, I became HR TXC with these additional responsibilities. September 2004, it is announced I would have these additional responsibilities. But I didn't have a D&I person and we moved out the head of L&D. I didn't get someone in these positions until 2005.

Where was training and development before I had it?

- It was under Norine Stein, Manager of Site Service, she had many functions and we un-did this as part of the unwinding of SHIS.
- Dennis Link had been Head of Training. A former operations guy who also worked at College of Mainland. My understanding was that the LT wanted to move him out. He was effective at basic training. It was felt he was not strategic dealing with the future.
- This decision was made for me, July and August 2004, I really did not know all the ins and outs. Decision was that he would be under Walt Wundrow to help with Refinery of the Future project.

September 2004 incident. Don didn't think HR did a good job of these incidents. In this incident, Bob Foh didn't want to do it. Chris Duke, not his cup of tea, family did not want Tommy Lambright. From September 2 through November, I spent most of my time at the hospital for this incident. Dennis continued to help out during this time.

Dennis did training--generic operations training across the site. There was also some maintenance training unique to those issues. There was also VTA, someone handled that. L&D group did these three things. All very operational. We wanted to do more than that. There were two guys on basic operation training. There were three guys on maintenance training. And Terry Cox on VTA.

Dennis is still here. Worked Refinery of the Future project. We posted his position when ISOM incident. Didn't get an L&D project person until August 2005.

When Gary Scoggin went to heavy crude project, Dennis Link then came off Refinery of the Future project and now is doing a new role--unit specific training. Unit specific training reports directly into the Unit managers. They decided to make a single group of all of these unit specific trainers because unit supervisor had a tendency to use them as an extra hand.

L&D group does training that is generic across all units. Units do unit specific training specific to a unit. Problem was that these unit specific trainers did not spend a lot of time doing unit training but working as an extra hand.

Dennis Link now heads these unit specific trainers. He now reports to Willie Willis. It was under Bill Haggerman MDL of Infrastructure.

Then, Gary T. took over Infrastructure. Haggerman took training with him. We just re-did operations again and Kathleen put Dennis under Willie Willis is doing control of work.

Willie Willis was moved into the "Control of Work" role while he was still an MDL. There are a couple of contractors doing this. Kathleen ultimately decided to move him to

Control of Work in Fall of 2005. Don Harris took over as MDL of West Plant. So, Willie is involved in building our control of work processes and integrity management. When these are done, the new training will come into Paula's group.

Was this perceived to be a step down for Willie? We had other stuff in the West Plant--such as his step up procedure. We did an investigation of these on some other things. It is my opinion we needed a firm hand and this was an opportunity to move Dan Harris in there. Willie is very smart on operations. Every MDL had their own kingdom. Willie has his own accountabilities team; he'd promise things that others had to deliver.

My whole perceptions on Dennis Link: He did exactly what he thought he was asked to do--basic training. I would ask LT, what is your vision, what do you want? And I could not really get a good response--so I understood his dilemma. There is a culture here that you can avoid accountability by saying you need training.

- In 2004, September to November, my team put together some basic HR training. So I showed Dan what we did--they had been trained. But now no one holds them accountable. But they did get the training.
- If you talk to Kathleen or Willie or Walt, they might not point this out. But in my role running training, I can see this where we train, then they are not held accountable, and they tell new leaders "we didn't get any training in this."
 - HSSE training: we did this VTA, now we are going to do it via classroom training, contrary to where most of industry is going, because they say they don't remember computer based training.
 - I don't think the training is the problem.
 - Unit specific trainers did distillation training. Most failed. When they knew this had to be passed, then most passed second time. On discipline, we train them but they don't want to use it--pass it to HR.

Randy Seward, Heather Burg, Tommy L., Bob Foh were here when I joined TXC. It was very hands-off. Randy didn't go to LT meetings or operations leader meetings. I started attending both leadership meetings--the functional team and the operations meetings. Don P. did functional and R. Hale did the operational. After Innovene announcement, it became awkward to run two teams. By July 2004, Hale goes to Correyton. HR situation was pathetic. They sabotaged each other. I turned over 100% of HR since I got there. HR was not responsive. We are now focused on supporting teams, people. Now, I report into Colin. There is a "Senior" LT with some functions, then an "extended" LT which includes the MDLs, but does not include some of the other functions. Willie participates in his project role, a direct report to Kathleen. What is different since ISOM incident? We have spent a lot of money repairing things. A lot of communication. Lots of hands-on communication, etc. There was a focus on safety before, now more of an attitude of safety. Summer of 2005, GPA took over my internal communications team (Neil Geary).

The recent start up shows we can do it right. When I came in 2004, after September incident, Don did a presentation covering death statistics over last 30 years. This felt accepted. "Whiting is just as bad." I think that attitude is changing. I had 23 years with

other companies and only saw two deaths. Training did what it was asked to do before I got there. Dennis did not think strategically and LT didn't really know what it wanted. I can't say for sure, but unit specific trainers are now training rather than an extra hand. And the L&D training is much improved. Some 5 LL type training being offered. I think the attitude on safety is changed. Colin is pointing to "you need to make the difference" rather than simply point out things and say someone needs to do it. Is this sustainable? I am not sure because of lot of money is being spent now. What has not changed? I'd like to see us hold people accountable. To give honest feedback because we are afraid of tough conversations. A very conflict diverse culture.

I don't think the Union contractor thing is that big a deal. This is the best Union relationship I have seen in four refineries. Joe Bilancich is a traditional union guy, but you can deal with some others on his team. The contractor issue--that I have seen that everywhere. I understand why this is.