Directions for improving the motivational mechanics of modern oil and gas production companies

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Abstract. In the modern difficult financial situation when the need for highly qualified staff is increasing, the development of effective staff motivation systems is a crucial task. For any enterprise, regardless of its size and scope, it is necessary to update the payment and labor incentive systems as part of formation of a flexible motivational mechanism that allows it to gain maximum profit at minimum costs. For oil and gas production companies, the solution to this problem is complicated by the large number of personnel and a wide range of personnel qualifications, which increases the relevance of the task.

1. Introduction
When the need for highly qualified staff is increasing, the development of effective staff motivation systems is a crucial task. Any operating company, regardless of its size and business sphere, has to update the payment and labor incentive systems in order to create a flexible motivational mechanism to gain maximum profit at minimum costs [1].

2. Materials and methods
According to the survey results, it was possible to identify the dependence of prevailing needs of workers on several criteria: category, education and age. Figure 1 shows the structure of needs of all company workers. The general pattern observed in all groups of respondents is the presence of material needs (45%), but security guarantees (15%) are no less important. The need for social contacts was identified in a tenth of the workers. Equally important are the needs for creativity and recognition (15%) (Figure 1).

![Figure 1. Distribution of needs of oil and gas company staff](image-url)
For the production personnel, material needs are more important than for employees. These needs are of priority (45% - workers; 33% - specialists).

Safety is also important for the workers (22% and 31%, respectively). This might be due to the "practice of employers using the threat of dismissal as an" anti-stimulus [5].

Social contacts as a need were emphasized by 15% of production personnel, and 18% of specialists. Recognition and creativity were indicated by the equal number of managers and employees (17% and 18%). According to I. Vardanyan, numerous studies of motivation factors indicate that people who have needs for creativity recognition feel motivated to work, because creativity contributes to the need for recognition. They try to generate useful ideas, provide them with a sufficient degree of recognition [2]. In the production staff, recognition and creativity occupy the penultimate position (2-3%).

Material needs are very important (about 50%) (Figure 2). The need for safety does not depend on the level of education. The desire to be competent is expressed by workers with higher professional education (57%), and secondary professional education (12%). It should be noted that only workers with higher education experience a pronounced need for creativity.

An analysis of the survey results showed that at the age of 25 years, material needs are more important, at the age of 26-69, they rank third. Safety is important for the age group of 46 to 60 years. The desire to be recognized is one of the leading needs for the group of 25 year-old workers and younger s and workers aged 26-45. In the latter age group, the need for self-expression takes the same place. The need for social contacts is the most pronounced need for employees of the pre-retirement age; for the age category “up to 25 years”, this need is less evident.

![Figure 2. Distribution of staff needs by category](image)

In general, according to the results of the study, we can conclude that in addition to material needs, the employees have other priorities. The least intangible needs were indicated by the production personnel, and workers with higher education aged 26-60 [7].

Safety guarantees are equally important for all categories, ages and jbs (from 13% to 31%). But for the respondents under 25 years with secondary vocational education, these needs are less important.

The need for social contacts is indicated by 15% -18% of the respondents aged 26-60. It is important for 55-60 year-old respondents (39%). 45% of managers and specialists aged 26-45 years with higher education have a need for recognition. 22% of employees of the same age and 36% of managers and specialists need self-expression (Figure 3).

The study revealed labor motives. The employee should be provided with external incentives. The questionnaire survey proved the importance of intangible factors; therefore, material incentives cannot serve as the only form of remuneration [6].
In order to analyze how the incentive system satisfies the needs of employees, one more questionnaire survey was conducted to assess the moral and psychological climate, work organization and conditions for self-expression.

3. Results and Discussion
The vast majority of respondents indicated that they were satisfied with relations with colleagues (34%), working hours (44%), and technical equipment (48%). However, all the employees said that they were completely dissatisfied with the diversity and independence of work, and career chances. Half the respondents were dissatisfied with relations with the management.

![Figure 3. Distribution of staff needs by age groups](image)

Figure 3. Distribution of staff needs by age groups

The next step in assessing the applied motivational mechanism was to study the opinion of managers (General Director, deputies, heads of departments and workshops, HR specialists).

According to the results, approximately 87% of managers understand staff incentives unambiguously. Some managers (69%) believe that “stimulation is money. Other respondents (28%) defined motivation as “creating comfortable conditions and n optimal climate for employees”. The company’s results are the same: staff incentives are a good monetary reward.

Only some managers combined goals and needs of employees and organizations and named all the factors that influence motivation. They realize the importance of an integrated incentive system [4,5].

Three of the four executives believe that the workers are satisfied with the existing labor incentive system. In addition, they believe that it is impossible to identify criteria for evaluating the work of workers, although, it is necessary to observe the following conditions:
- a shared goal;
- an analysis of jobs (their benefits), job descriptions;
- an analysis of technological processes and separation of functions between departments and employees;
- a clear organizational structure [3].

The company has implemented a package of social benefits. Many managers do not consider benefits as a motivation tool. Indeed, if benefits are not associated with specific results, they will not be incentives.

When determining the needs of personnel, managers put material needs in the first place, but the survey results refuted this belief of senior managers. Of 100% of possible incentives, 30% are used by managers: the opportunity to study, payment of expenses for food, one-time payments [8].
However, there is a group of incentives that are desirable for the staff, but not used by management: incentives for new ideas and their implementation, criticism, development of our own social infrastructure (medical care, sports), feedback, specification of existing criteria for remuneration, an opportunity for an employee to choose a remuneration form, development of "Career Planning and Development" program. Another drawback of the incentive system is the lack of feedback (employees' assessment of the motivation system).

As one of the options for improving the existing motivational mechanism and integrated personnel assessment, the competency-based approach can be used. It is based on the following evaluation criteria:

1. Labor productivity:
   - volume of work performed;
   - quality of work performed;
   - timeliness.
2. Professional competencies:
   - training;
   - professional competence;
   - ability to organize work.
3. Corporate competencies:
   - initiative, focus on the active search for proposals;
   - emotional endurance and psychological stamina;
   - responsibility;
   - contact;
   - participation in contests, awards, thanks, titles.

4. Conclusion

Thus, the results of diagnostics of the motivation system implemented in the oil and gas company of the Russian Federation showed that the existing motivational mechanism does not make it possible to realize the labor potential. The primary task is to bring the goals and objectives of the company in line with the goals and tasks of each employee. The latter can be achieved by adjusting existing provisions on staff assessment, remuneration and labor incentives. Regular adjustment of the conditions and principles of assessment procedures will ensure the fullest realization of the potential of employees, motivate them to professional and creative development, and allow the company to form a loyal, stable and promising work team.

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