

SECTION 19. Management. Marketing. Public administration.



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THE FEATURES OF MANAGEMENT OF OIL AND GAS COMPANIES IN GREAT BRITAIN

The purpose of the article is to study the value of knowledge management for companies in the oil and gas industry in the UK, access to resources, the results of the production activity.

Keywords: management, oil, company.

Nowadays Russian companies of oil and gas industry face the necessity to work in the conditions of changing international markets and close attention from the interested parties. Slowing down the growth of demand and increase in regulating authority pressure continues to have an impact on the activity of oil and gas companies while the production of available stocks becomes more and more difficult and expensive. Moreover, a growing necessity of satisfying the future needs in the utilities raises a question of the international alliance creation. Russian companies of oil and gas branch need to know how to adequately react to new tendencies, effectively manage potential risks and improve the activity indicators.

Due to the fact that oil and gas industry of Great Britain has opportunities of a world class level, the country is called the global center of perfection almost at every stage of a provision chain at the international level. Apart from that,

Great Britain remains one of main suppliers of gas and oil to the countries of European Union. [5]

However, "since 1970s, the level of found stocks of hydrocarbons in the North Sea has been constantly reducing, and the volumes of their production have been falling respectively. And all these happen owing to the growth of expenses for their extraction". Therefore the main British companies of oil and gas market, such as "Royal Dutch/Shell", "Centrica", "BP", "British Gas", conduct researches regarding possible association of interests of nearly all countries (including Russia) which have the stocks of hydrocarbons. [3, p. 126]

The relevance of studying both the experience and the features of management of oil and gas companies in Great Britain consists in the creation of the base for the growth of appropriate Russian enterprises on the basis of this information for the purpose of providing the opportunity for the international alliance formation.

However, despite the importance of studying this direction, there are not so many researchers and scientists in the theory of management who engaged in development of prospective management of oil and gas companies in Great Britain. That is why this problem has possibly begun to disturb modern scientists and researchers rather recently.

It is necessary to mention such author of the works on this subject as Fedotov D. V., Doctor of Physical and Mathematical Sciences, Professor, the corresponding member of Academy of Sciences of the Republic of Tatarstan, the honored worker of science of the Russian Federation, and his article "The Queen of Oil" where he writes about the fuel and energy complex of Great Britain. [2, p. 16]

It is necessary to distinguish Katerina Brazhnikova's research activity and works. She is the managing director and the partner of the Molten Company in Russia and the CIS. In the article "Think Innovatively" Katerina shares her experience and ideas about using the experience in management of knowledge, information and the personnel of the relevant companies of Great Britain by Russian oil and gas companies. [1, p. 7]

Among foreign authors it is necessary to emphasize Doctor Wood from Great Britain who has been working for more than 30 years in oil and gas industry in the field of technical and commercial investigation and production, within the projects of processing and realization as well as the assessment of contracts and corporate management.

Project management plays a key role in oil and gas industry. The main skills of project management and production control as well as the skills and methods of problem-solving, which are important for oil and gas branch, include: planning, assessment, modeling, organization and control of resources, and also network planning for the purpose of optimization of the project and its quality. Furthermore team work, motivation, placement of contracts, risk

management, data processing, documentation process and negotiating are necessary for successful production and implementation of projects. Thus, project management at the enterprises in oil and gas industry of Great Britain rests against enterprise human resource management.

The creation of a large company with a special corporate culture where belonging to this corporation is the main employee's stimulator is assumed as a basis of the western method of management which is used at the enterprises of oil and gas industry in Great Britain.

The main features of a human resource management model of such enterprises are:

- the existence of external shareholders who are unconnected with the corporation;
- a legislative base: the rights and duties of managing directors and shareholders are determined on its basis;
- the existence of the arranged mechanisms of the interaction between the corporation and its shareholders, and also between the shareholders of the corporation.

A characteristic feature of human resource management of the enterprises in oil and gas industry of Great Britain is the existence of strategic management whose purpose is a reasonable choice of strategic objectives of the corporation development, which are capable to promote the increase of its competitiveness in the national and world markets. Strategic objectives are fixed in long-term plans; target programs, promoting their achievement are developed on their basis. [6, p. 95]

The following feature of the concerned personnel management system in oil and gas branch is involvement of workers to direct company management, so-called participative management.

Another feature which is typical for the enterprises of oil and gas sector of Great Britain is the association of two mutually exclusive functions in management: operational management and planning. Therefore planning becomes a functional component of the process activity; it stops to occasionally prevent the production process.

It is essential to outline one more feature of human resource management at the enterprises of oil and gas industry in Great Britain which is the existence of restrictions of three types:

- the positioning is put into effect on the basis of the requirements of potential consumers. Several groups of consumers are marked out and they orient on the most prospective one;
- variable positioning assumes an accurate determination of the nomenclature of goods and services;
- increase of consumer convenience by the positioning on the basis of an availability factor.

However, it is impossible to effectively manage of what cannot be measured. Therefore the authors of the article believe that the effective knowledge management system is necessary for more effective management of oil and gas companies in Great Britain.

At present time it is necessary to take the following actions for realization of such system:

- developing the RACSI model which will include the role for the knowledge management system (KMS) support;
- formalizing the processes of the KMS support;
- developing an accurate procedure of KMS for each company, taking into account the general principles and methods.

The example of possible usage of KMS for several oil and gas companies in Great Britain is shown in pic.1. [4, p. 169]

<i>Company</i>	<i>The purposes of knowledge management system introduction</i>	<i>Instruments</i>
Shell	Informational independence of the company; time reduction of searching for the necessary information	Community practices; corporate social network; distribution of the best practices
BP	Development of advantages at the expense of its own "know-how"	Community practices; the help of colleagues "Peer Assist"; "Retrospects"

Pic.1. Determination of an accurate strategy of knowledge management

As a result it is necessary to note that the value of knowledge management for the companies of oil and gas industry of Great Britain consists in the possibility of access to the following resources and production activity results:

1. Advanced technologies.
2. Information about the companies for possible alliance or takeover.
3. Information about the fields which are outside the country.
4. Effective problem-solving regarding the environmental protection.
5. More effective production activity at the expense of which the additional cost of the company is created.

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