

# The deepwater horizon accident management essay



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## 1. Introduction

The concept of 'effective leadership' represents a theoretical framework to analyse the case study 'Deepwater Horizon Accident'. The idea of an 'effective leader' can be captured by the following basic principles:

The leader must have a long term and strategic vision (what should be achieved? How should be achieved? Who should achieve an identified goal?).

A leader should be focused on people. This implies the identification of instrumental goals, their effective communication, and human beings' involvement. The involvement depends both on incentive system and involvement. Effective leaders are increasingly characterised as being enablers - helping people and organisations to perform and develop. This implies that the leader has to achieve a sophisticated alignment between people's needs and the aims of the organisation

The leader needs to balance, reconcile and integrate opposite cultural values (Hofstede). The conflicting values and cultural differences emerge whenever a leader deals with stakeholders (consumers, environmental groups, trade unions). Hofstede (1978) identifies four dimensions to analyse cultural value of nations. He describes the following elements:

power distance

individualism vs. collectivism

Masculinity vs. femininity

Weak vs. strong uncertainty avoidance

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Long vs. short term orientation

## **2. The Case Study**

The Deepwater Horizon Accident was caused by the escape of hydrocarbons resulting in explosions and fire on the rig. At that time the social media emphasis in this accident is not only about the death of eleven people and the injury of seven, but also in connection with main environmental damages (such as the rig sank and the continued flow of hydrocarbons from the reservoir).

The following investigation reveals that:

“ The team did not identify any single action or inaction that caused this accident. Rather, a complex and interlinked series of mechanical failures, human judgments, engineering design, operational implementation and team interfaces came together to allow the initiation and escalation of the accident. Multiple companies, work teams and circumstances were involved over time.”

( BP 2010, 5)

Thus, the problematic situation in Mexican Gulf seems to be generated by the leadership style, as the leader failed to focus on developing a clear vision and communication and exercising strong control to the organization. This statement represents a thought provoking situation in order to analyse the behaviour and leadership style of three leaders (Tony Hayward, Bob Dudley, and Barack Obama)

## **2. 1 Tony Hayward**

At the time of natural disaster Tony Hayward was the Chief executive of BP. In coherence with Hofstede (1978), he showed a short term vision in his communication activity. The Guardian (14 May 2010) indicate that the Chief executive declared: " The Gulf of Mexico is a very big ocean. The amount of volume of oil and dispersant we are putting into it is tiny in relation to the total water volume". The same article report the emerging conflicts between BP's efforts (" to contain the spill had succeeded in dispersing the oil and preventing large amounts reaching the shoreline around the Gulf") and the environmentalists' concerns the unseen damage being done to marine life. Additionally, Tony Hayward " admitted that BP had made mistakes in its early response to the crisis. It initially refused to compensate fishermen who were unable to produce written proof of their normal earnings." Instead, his main worry concerned share values and profit distribution. The leader also failed to deal with the stakeholders revealing an individualistic approach and short term vision in firm's management style. This aspect was also revealed by the weak safety policy adopted by the BP Company.

## **2. 2 Bob Dudley**

Following the criticism related to Tony Hayward, Bob Dudley was designated as the new Bp Chief Executive. Mr Dudley joined the board of BP before, as his most high-profile role was as the chief executive of BP's joint venture in Russia, exploiting oil fields in eastern Siberia.

The BBC report (2010) reveals: " Mr Dudley is widely respected within the company, and from a PR point of view, it might help that he is American, not British. BP has often been described as " Public Enemy Number One" in the <https://assignbuster.com/the-deepwater-horizon-accident-management-essay/>

US since the oil spill. Now that the company is to be run by an American, it could help it in its battle to rebuild its reputation in the US". In coherence with Hofstede (1978), this assumption underlines the implications of national distance on leadership recognition and recruitment.

The Christian Science Monitor (2010) also reports " BP's voice in America will no longer come with a British accent attached". The Christian Science Monitor (2010) also indicates:

The oil industry is difficult one, so Bob Dudley is used to dealing with problems around the world. He is not to solve the problem immediately but he is working to plug the wellhead leak. At the same time he has been very careful to the way he speaks to the person.

In accordance with these empirical evidences a crisis management requires contingency theory can explain leadership style. (Mintzberg, 1979).

However, another criticism from Bob Dudley's leadership style related to high ethical and moral issues. This aspect emerges with his previous experiences in Russia area.

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## **2.3 Barack Obama**

The new leader of US, Barack Obama has signalled the intention to assign criminal charges in the Gulf of Mexico oil spill disaster. Mr Obama said that the US government feels BP must pay for clean-up of the spill.

This approach can be equated the position of Obama to that of a leader of social justice.

However, there some critical aspects:

A. the social media describe that Obama was playing golf during the oil crises;

B. the majority of Americans disapproves of how Mr Obama has managed the crisis;

C. the Republicans accuses Mr Obama of exploiting the crisis for his own political gain.

, pledging to “ bring those responsible to justice” if laws were broken.

President Barack Obama sharpened his criticism of BP Plc and pressed the energy giant to halt the oil gushing from its ruptured well.

President Barack Obama has been criticised for playing golf while the BP oil spill disaster continues Barack Obama has been criticised for continuing to play golf while oil spills into the Gulf of Mexico. He has played at least seven times since the Deepwater Horizon rig exploded on April 20, creating America’s biggest environmental disaster. Having already racked up 39 games since taking office, Mr Obama is approaching the record as the U. S. President spending the most time on the golf course. Republican Party chairman Michael Steele has called on the President to stop playing until the oil leak has been curbed.

The satisfaction of employees and communication was effective. Indeed his inspiration been put in place and focus in company. It argues that the organization context operates has largely failed. Critics would argue that is due to the behaviour characteristic. The leader had such difficulty in focus on systems maintenance, and meets the work criteria in which cause numbers of catastrophic disaster and left eleven people without lives. Unwillingness in leaders is composed of negative associate with productivity subordinate.

The factors analysis produced two understandably behaviour dimensions and differences in these behaviours associate to effectiveness. One series of studies has collected data however according to theory enhance a subordinate perception of a link between the effort and outcomes.

The leadership styles did not providing opportunities for consultation special managers and staff in this system management the relationship between leader and managers wasn't based on trust, seemed forgotten to inspire their subordinates to do things behind the capabilities, the key issue of these was in communication and implement the vision affect.

## **Conclusion**

Tony is not great global diplomat was more an individual in the organization his concern was more in share values and obviously on profit, unfortunately his turn the company into disaster. But about that Bob Dudley is a better choice; better communicating with press comes across with good knowledge. According to research analysis the new leader has more ability and understanding leader, with full of expectation.

Compare with new leader political Obama “uncertain” when comes to decision and culture problems when comes to share in other hands Mr Obama has spend most his time in the Mexican gulf, research saying that he has approach the record in US .

The investigation there’s not such evidence requires the court order.

Unsuccessful the Leader had not exercise strong control of the organization.

This is due of the characteristic and style of the leader.

Not surprisingly, a large amount of research showing that the result was catastrophic.

Argue that relationship between leader behaviour and his effectiveness was modified by the organization. It can be seen leader has specific difficulties such maintaining work standards

Bob Dudley replacement its certain he will move the company forwards, beside is not strange in the gulf or “BP” or the US press.

he works in oil field for such long time place, such as Russia and demonstrated well work under the pressure with ability and focused and he work standards in Russian was well known. Mr Dudley was untainted by the major operation problems such as Alaska and Deepwater Horizon has a good vision and strategy.

The company move forward with a new leader and new regulations but its unknown that Dudley will change the culture, According to research there’s no doubt however, he focus on development a clear vision to the future



company by communicating effectively and exercises strong control of the organization.

It was a very interesting story to research