China National Offshore Oil Corporation Partnership Helps Expand International Business

China National Offshore Oil Corporation (CNOOC) and GlobalEnglish Best Learning Program Supporting a Change Transformation Business Strategy October 2019

Company Background

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Company-at-a-Glance	China National Offshore Oil Corporation, or CNOOC Group, is the largest producer of offshore crude oil and natural gas in China and one of the largest independent oil and gas exploration and production companies in the world. CNOOC was founded in 1982. On Nov. 1, 2017, CNOOC changed its Chinese registration name while transforming from an enterprise owned by the whole people into a Company Limited entity (wholly state-owned). The company was ranked 87th in 2018 Fortune Global 500 and 31th in Petroleum Intelligence Weekly (PIW)'s World's Top 50 Oil Companies. By the end of 2017, Moody's and Standard & Poor's gave the company credit ratings of A1 and A+.
Headquarters	Beijing, China
Year Founded	1982
Revenue	\$81.48 billion
Employees	100,000
Global Scale	CNOOC is an international energy company with a prominent core business, a complete industrial chain and business spreading across 40 countries and regions.
Customers/Output, etc. (Key customers and services offered)	Petroleum exploration, development, production and marketing
Industry	Energy
Stock Symbol	HKSE: 0883; NYSE: CEO; TSE: CNU
Website	www.cnooc.com.cn/en



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Company Background

GlobalEnglish		
Company-at-a-Glance	GlobalEnglish delivers Business English learning solutions and productivity tools that help organizations attract, retain and develop the talent they need to thrive in the global economy	
Headquarters	San Mateo, CA	
Year Founded	1997	
Employees	140	
Global Scale	GlobalEnglish has helped more than 3 million learners in 181 countries to advance their careers through targeted improvements in Business English proficiency. GlobalEnglish's product development facilities in California, India and Korea, and local teams across North and South America, Europe and Asia support learners in 12 native languages.	
Customers/Output, etc. (Key customers and services offered)	450 organizations, and learners in 181 countries. Customers include IBM, Deloitte, Deutsche Post DHL Group, GE, HSBC, Procter & Gamble, Unisys, Whirlpool and Fortinet	
Industry	Educational Software and Services	
Website	www.globalenglish.com	



Budget and Timeframe

Budget and Timeframe	2007-19
Overall budget	\$830,00
Number of (HR, Learning, Talent) employees involved with the implementation?	2,000 over 12 years
Number of Operations or Subject Matter Expert employees involved with the implementation?	20 HR managers
Number of contractors involved with implementation	None
Timeframe to implement	12 years
Start date of the program	2007

Business Conditions and Business Needs

China National Offshore Oil Corporation (CNOOC) is the largest offshore oil and gas producer in China. Scientific and technological innovation is the strategic engine for the development of enterprises. Taking the oil and gas industry as the cornerstone, CNOOC adheres to an innovation-driven strategy, focuses on core technologies and constantly explores new marine energy to provide inexhaustible power for sustainable development.

CNOOC gives full play to the leading role of scientific and technological innovation. It reinforces research on core technologies and has steadily promoted the construction of a technical-research platform and effectively improved its R&D capability.

CNOOC keeps setting advanced individuals and units as examples for others. The company has edited the stories of advanced collectives and model workers to wider spread the spirit of oil and the culture of CNOOC. The vision is to build a word-class energy company by improving value creation capability, low-carbon competitiveness and sustainability.

In 2007, CNOOC realized that English would play a key part in its globalization strategy. Around this time, CNOOC invited several business English providers (both traditional and digital) to present their ideas on helping CNOOC develop an English learning strategy. In discussions with GlobalEnglish, the CNOOC team shared its challenges and needs in detail. In particular, CNOOC, as a local Chinese business, was unfamiliar with developing business English skills with its employees. There had never been a requirement in the past; additionally, CNOOC was unfamiliar with digital-learning solutions. (The normal and ineffective way would traditionally be to invite some Chinese university professors to provide in-house group training to large teams of people.)

Global Business Goals and Business Challenges

- Drive business expansion; previously CNOOC ran business across Greater China
- How to transform CNOOC from a traditional company to an international company
- Improving global collaboration and cultural awareness internally and externally as the company expands internationally
- Leveraging CNOOC resources to develop multiple business functions globally

Talent Management and Diversity

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- Engagement and inclusion of new hires
- Growing the talent pool to meet the globalization strategy
- Develop the management team and international talent
- Create an international culture in the daily working environment

Technical and Professional Area Needs

- The ability to research, analyze and share industry information (in English) from global industry competitors, co-workers and industry leaders
- Ability to communicate technical issues and solutions with global partners

Improve English skills at scale

• Improve the business English and cultural awareness capabilities of at least 15% of the white-collar workforce (1,500 employees)

After discussion with all potential providers, the CNOOC team decided to engage GlobalEnglish as its partner, not only because of GlobalEnglish's delivery model for digital learning but also because of its ability to address CNOOC's four macro-challenges.

GlobalEnglish Highlights

- Founded with B2B SaaS in its DNA, the company holds strongly to four core beliefs:
 - Success should be driven by ability and ambition, not bias or birthright
 - o Personal communication builds global understanding
 - Great technology transforms business by empowering people
 - The comprehensive solution offers much more than Business English

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- A robust, scalable platform and state-of-the-art English language training program and tools to include smart-phone-based learning
- Global footprint and ability to support 15-plus languages (before now, impossible to do at CNOOC)
- Deep experience helping organizations change; very often gradually from traditional learning (classroom) to a digital-learning solution
- Experienced in helping large multinationals contract centrally, but deploy locally
- Delivered and managed programs for more than 800 global organizations over 20 years
- Unrivaled talent and record in Customer Success Management (CSM), a
 discipline important to CNOOC because of its focus on advocacy, problemsolving, process and delivering value. Over the last 20 years, GlobalEnglish has
 developed its approach to customer success, even before the discipline existed.
 It has built and adopted some of the market's leading best practices in CSM and
 has growing expertise in Change Management.

The GlobalEnglish One platform is the digital foundation for all of its Business English learning solutions, productivity tools and program management. Engaging multimedia content gives learners the opportunity to develop relevant business skills as they improve their proficiency in Business English and business skills.

- Personalized self-learning programs from an 11-level online curriculum
- On-demand access to everyday business tools and templates for faster, more effective working
- Integrated gamification features such as badges, points and rewards designed to motivate and engage learners

GlobalEnglish's unique combination of technology, personal coaching, context-driven learning, and engaging content help global teams cooperate, collaborate, and innovate by giving every global worker the ability to more effectively contribute to business outcomes. Employees in multinational organizations report to have on average only 23 minutes for learning (Source: Bersin by Deloitte, 2017, Report on Disruptive Technologies.) The company's SaaS-based solutions allow employees to learn by schedule, on demand and on the go.

Overview

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In 2007, GlobalEnglish was hired to design, deliver and manage a worldwide, digital English L&D program for CNOOC. As the partnership blossomed from a small local program to a truly global program, it included collaboration on CNOOC's overarching objectives, to drive global expansion with a well-coordinated customer success approach.

At the heart of the relationship is the shared view that any business change or business transformation can only be achieved by effective alignment of people, processes and technology. During the initial analysis, GlobalEnglish found that CNOOC had a highly educated workforce but they were restricted in what they could do as they had limited Business English skills and were therefore misaligned with the overall CNOOC globalization strategy. Within CNOOC's white-collar employee population, more than 97% have a bachelor's degree and of those, 57% of them have master's degree.

Supporting and cultivating a skilled knowledge workforce (about 10% of total employee population) ensures career development for staff and high performance for the company. Driven by the philosophy of "You thrive, we thrive," talent management is central to CNOOC's priorities.

As in other areas of the business, CNOOC seeks to establish realistic as well as ambitious goals, with accompanying metrics for its L&D programs. Over the years, GlobalEnglish and CNOOC have teamed closely on setting appropriate and measurable goals for the program. While focusing on needs and aspirations in language learning and development, they progressively added objectives to align with the company's strategic goals to globalize.

Program Goals

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- Benchmark the English skills/business skills required based on industry standard and relevant job functions for employees who work globally:
 - Hire the right employees
 - o Identify the specific skills gaps
 - o Develop two- to five-year learning plans using GlobalEnglish solutions
- Improve Cultural Awareness: To be culturally sensitive, understand different mindsets and business etiquette.
 - Boost motivation, support and productivity through inclusiveness and collaboration
 - Increase organizational agility by understanding global processes and using common tools, all in English

Impact on Business

Over the last 12 years of the partnership between CNOOC and GlobalEnglish, CNOOC has expanded its business to more than 40 countries and GlobalEnglish has accompanied CNOOC along the way. Furthermore, GlobalEnglish has helped develop a culturally sensitive international workforce. The CNOOC/GlobalEnglish partnership over the years has had more than 2,000 learners (around 20% of white-collar workforce), 5% above the initial target.

All goals for the GlobalEnglish solution were met or exceeded:

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- Benchmark the English skills/business skills required based on industry standard and relevant job functions for employees who work globally
 - With the help from GlobalEnglish, CNOOC set a goal of achieving GlobalEnglish Level 7 and Level 8 through referencing the industry standards, job descriptions and speaking in detail with senior management.
 - Integrating assessments into CNOOC's hiring process, it is more effective in getting the right talent into the right roles. Turnover rate has reduced from 10.7% to 6.2%.
 - Together with GlobalEnglish, CNOOC has been able to clearly identify skills gaps for more than 20% of its white-collar population and it has introduced a continuous learning plan to close those language and cultural gaps.
- Improve cultural awareness and collaboration: As a result of improved English communication, there is an increased opportunity to collaborate more effectively on projects, in meetings and calls, and share best practices. More than 60% of learners say they are better able to collaborate with their colleagues and are more culturally aware.
- Boost motivation, support, and productivity and organizational agility: A notable highlight in this area is the fact that the learners in the program were highly praised by their managers for visible improvement in productivity and business performance. GlobalEnglish surveyed the managers who reported an 85% increase in their employee's ability to work on global tasks. Many employees have been recognized through promotion over the program lifecycle.
- CNOOC was able to achieve and exceed their goals as a result of the oversight and guidance provided by GlobalEnglish's global Customer Success organization (CSM) — who monitored and drove the overall success of the program over the last 12 years.

Some examples of how the CSM team has worked with CNOOC are:

- A proven approach to drive and sustain successful programs refined over hundreds of customer engagements
- A range of automated, self-service and consulting programs designed for small businesses and large enterprises
- Optimized implementation, on-boarding, program management and measurement against business KPIs







All illustrations provided by China National Offshore Oil Corporation

"GlobalEnglish's approach to delivering outstanding value through Customer Success Management and benchmarking based on the industry standard and relevant job functions has been instrumental in helping us to shape the way we structure our hiring and People Management Strategy." said Zhangjie, China Head of Learning, Welfare and Engagement at CNOOC.

Design of the Program

GlobalEnglish CSMs collaborated with CNOOC to understand its customer journey and build a service lifecycle. GlobalEnglish targeted, identified and provisioned processes and versatile tools that would guide the program over the years.

Applying its processes, GlobalEnglish:

- 1. Benchmarked the appropriate Business English language level required for different job roles, identified the gaps and developed learning plans for the CNOOC organization.
- 2. Implemented GlobalEnglish globally, setting KPIs with the client, discussing the solution with Central HR teams, and discussing program objectives with "in-country" local HR managers.
- 3. Introduced processes to monitor and control the KPIs set at a central and local level.
- 4. As CNOOC expanded globally, GlobalEnglish adapted the program for changes in the organization.
- 5. Ensured the program objectives are understood by "learners" and "managers." GlobalEnglish does this by hosting live orientation sessions.
- 6. Surveyed program participants and analyzed the feedback. Presenting the findings back to global and local HR directors/managers.

The GlobalEnglish CSM team managed the program using its proven approach to program management. It has a structured method that incorporates Quarterly Business Reviews (QBR) to couple the company strategy with learning outcomes. A view of the GlobalEnglish Program Management Approach is below.

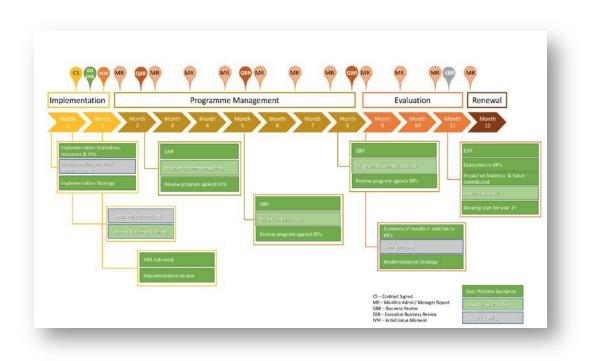


Figure 2: GlobalEnglish Program Management Approach

Delivery of the Program

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Throughout the years, more than 2000 Chinese learners were given a license (involving 100 local line managers) to use the platform. The learners were deployed to projects in more than 40 countries (e.g., India, Canada, Brazil, etc.).

GlobalEnglish CSMs held regular review meetings with HR managers to discuss the results and highlight how they were influencing the CNOOC program KPIs. Each year, GlobalEnglish conducted a learner and manager survey and presented program results that were tightly connected to CNOOC business objectives. In the words of a CNOOC manager who responded to the survey: "I see faster understanding of the problems and faster implementation of the possible solutions." A CNOOC learner said: "I learned comprehensive knowledge and skill from the One platform and it's really practical for my work. So many business functions are useful such as culture notes, business situation, email templates, etc."

Program Management

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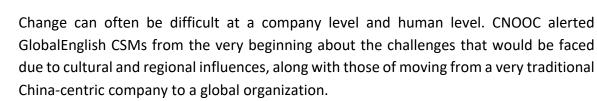
- Familiarize HR teams to the globalization learning strategy that is centrally defined with central business program, and progress KPIs. The strategy is coordinated at a central level (at least 70% active users, at least 2 hours per month active time in platform, learners attend orientation sessions, etc.).
- Average time on site per learner/month achieved was more than 3½ hours.
- From an HR learning perspective:
 - HR managers to attend orientation sessions and weekly update calls with HQ
 - Line managers to complete manager survey acknowledging awareness of program and encouragement of centrally-developed learning program for local teams
 - The CSMs to walk local HR managers through the process of deploying a central HR program

Over the years, the CSMs have supported CNOOC HR managers to adopt the guidelines for the learning program, by:

- Sharing information regarding the learning program with regular calls to the HR managers
- Establishing correct/stronger communication flow from HR to business line managers and vice versa
- A "contest" to reward top learners, giving global visibility to local learning efforts, which was highly appreciated by learners (top performers received Business English Coach services)
- Setting clear KPIs upfront to measure learning program efficacy and how it contributed to addressing the business challenges stated by managers. In 2012 managers reported a clear competency gap, i.e., understanding of guidelines in English. By 2017 managers reported a clear improvement in global communications and cultural awareness, a more agile implementation of processes and systems, as well as significantly improved relations with international operating units.

Change Management Efforts

"GlobalEnglish's competence in change management goes well beyond designing and implementing new L&D programs; we have been fortunate to capitalize on their experience and know-how in this discipline to support CNOOC's Internationalization and digital transformation initiatives in learning," said Zhangjie, Head of Learning and developing, at CNOOC.



GlobalEnglish prepared itself for these challenges. It helped guide CNOOC in introducing new ways of working and changing mentalities and behaviors among HR units, their employees (including learners) and line managers following key tenets of Change Management. Among the tenets is pacing (by oneself and guided), so that people can feel safe, as well as empowered.

It took time and patience for GlobalEnglish to persuade CNOOC headquarters to allow it to work directly with HR business partners to introduce the learning program, which was different from the traditional approaches CNOOC had taken before: university professorled training to large audiences. To make it happen, GlobalEnglish took a phased approach: pursuing understanding first, then acceptance, then adoption.

Measurable Benefits

Since 2007, the CNOOC/GlobalEnglish learning partnership has benefitted more than 2,000 people across the organization. What started with the CNOOC Beijing branch grew to cover all operating units in China involved in global expansion projects.

Measurable Results

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- 85% of registered learners were active in the program.
- GlobalEnglish helped CNOOC to be more effective in collaboration and now Chinese employees have part of their daily business working across the global organization.
- Aligned with CNOOCs aspiration to increase productivity and have a more agile organization, GlobalEnglish delivered productivity year on year by more than 4.19 hours on average per learner per month as reported by managers.
- A goal was to have at least 2 hours per month learning via a digital solution. GlobalEnglish achieved 3 hours, 23 minutes of study per month per learner.
- Increase the attendance rate compared to classroom. GlobalEnglish achieved an increase of more than 30%, with 85% attendance rate on average.
- Success of the internationalization plans due to such a long collaboration with CNOOC working better with coworkers in Canada, India, etc.
- In the recent survey, more than 60% of participants commented that they can much better overcome and understand the cultural differences now in a global



working environment because of the close connective function they learned from the Global English platform

Overall

Over the years, GlobalEnglish and CNOOC have achieved important milestones together. Twenty percent of the knowledge workforce has benefitted from GlobalEnglish training. The learning helped change their mindset and they now have a much more international thinking because of the training solution they experienced. They regularly practice the business knowledge and skills they learned in the working environment directly. Many employees rely on the productivity tools to help their daily work. They are positive and fully confident when facing business challenges. It is noticeable that they can handle the pressure much better because of the improved cultural sensitivity. The best thing is they act as role models and lead their teams with a more international focus.

As CNOOC continues to expand globally and hire other non-native English speaking employees from different geographies outside of China, its focus is to expand the GlobalEnglish program to these employees with a goal of creating a seamless learning program focused on not only Business English improvement but a common cultural sensitivity throughout the expanding of CNOOC Group.

About Brandon Hall Group

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Brandon Hall Group is an HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management. With more than 10,000 clients globally and more than 25 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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