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BP LEADERSHIP AND ORGANIZATIONAL CHANGE: A PATH TO RENEWABLE ENERGY

Introduction

The review of the BP Deepwater Horizon disaster of 2010 has shown many flaws in the organization's leadership and culture. As I examined this case study, it became evident to me that BP's approach to safety, risk management, and organizational change were inadequate. This week's essay will evaluate the most beneficial leadership style for executing radical change within BP and propose a strategy for implementing a shift from fossil fuels to renewable energies.

Evaluating Leadership Styles for Radical Change

After going through the case study and leadership styles presented in the attached file, in my opinion the transformational leadership style would have been the most beneficial for executing radical change within BP. Transformational leaders inspire and motivate their followers to achieve extraordinary outcomes while developing their own leadership capacity (Northouse, 2022). This style is very effective in situations where significant organizational change is required.

The case study revealed that BP's leadership under Tony Hayward failed to address the underlying issues in the company's culture. Hayward's focused mainly on cost-cutting and efficiency gains, while neglecting major safety concerns and demonstrated a transactional leadership approach that proved inadequate for most of the challenges BP faced (Ingersoll et al., 2012).



A transformational leader should be better equipped to:

1. Create a compelling vision for change: BP needs a leader who can articulate a clear and inspiring vision for a safer, more sustainable future.
2. Foster innovation and risk-taking: Encouraging new ideas and approaches is crucial for BP to move beyond its outdated practices.
3. Develop followers into leaders: Empowering employees at all levels to take ownership of safety and sustainability initiatives.
4. Lead by example: Demonstrating a genuine commitment to safety and environmental responsibility.

Implementing Radical Change: From Fossil Fuels to Renewable Energies

If we assume that the organizational culture at BP is still the same as that described in the case study, then implementing a radical change process from fossil fuels to renewable energies would require a comprehensive approach and need addressing each of the five stages of organizational change:

1. Recognizing the Need for Change

- Conduct a thorough analysis of BP's current position in the energy market and the long-term viability of fossil fuels.
- Engage stakeholders, including employees, shareholders, and industry experts, to build consensus on the need for change.
- Utilize external consultants to provide an objective assessment of BP's environmental impact and potential risks.



2. Planning the Change

- Develop a clear, time-bound roadmap for transitioning from fossil fuels to renewable energies.
- Set ambitious yet achievable targets for renewable energy production and carbon emission reduction.
- Allocate resources for research and development in renewable technologies.
- Create cross-functional teams to lead various aspects of the change process.

3. Implementing the Change

- Launch pilot projects in renewable energy to demonstrate commitment and build expertise.
- Provide comprehensive training programs to retool the workforce for renewable energy technologies.
- Establish partnerships with renewable energy companies and research institutions.
- Implement a robust communication strategy to keep all stakeholders informed and engaged throughout the process.

4. Monitoring and Adjusting the Change

- Develop key performance indicators (KPIs) to track progress in renewable energy adoption and fossil fuel reduction.
- Conduct regular reviews and adjust strategies as needed based on feedback and results.
- Encourage open communication channels for employees to report challenges and suggest improvements.



5. Sustaining the Change

- Align reward systems with the new focus on renewable energies and sustainability.
- Integrate sustainability goals into all levels of the organization, from individual performance metrics to corporate strategy.
- Celebrate milestones and successes to reinforce the new direction and maintain momentum.

Throughout this process, it is crucial to address the cultural issues identified in the case study. The transformational leader must work to shift the organization's values from a focus on cost-cutting and short-term profits to prioritizing safety, sustainability, and long-term value creation.

Conclusion

The BP Deepwater Horizon disaster highlighted the critical need for effective leadership and focused on importance of strong organizational culture that prioritizes safety and sustainability. By adopting a transformational leadership style and implementing a comprehensive change management process, BP can navigate the challenging transition from fossil fuels to renewable energies. This shift will not only address environmental concerns but also position the company for long-term success in a rapidly evolving energy landscape.

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