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Item of Interest

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Shaybah Cafe: Saudi Aramco Gathers Business Leaders to Ponder Future By Stephen L. Brundage and Rick Snedeker

Saudi Aramco senior vice president Salim S. Al-Aydh loves a good cafe. The Paris sidewalk variety is *tres bien*, of course, but the kind of cafe Al-Aydh most decidedly prefers is somewhat larger -- a unique, temporary venue where scores and sometimes hundreds of patrons gather to discuss critically important issues. Cuisine is secondary at Al-Aydh's cafe yet an ambience of creativity is essential.

The topic at Al-Aydh's most recent cafe was especially weighty: the future of Saudi Arabia's economy and the role of the private sector in stimulating growth.

Held at Saudi Aramco's Shaybah oil field complex nestled amid the red dunes of the Rub al-Khali, the Shaybah Cafe gathered more than 40 of the Kingdom's most enterprising young business leaders and a score of Saudi Aramco executives on March 29 to talk about potential ways to help energize and secure the nation's economy for the Saudi children and grandchildren of tomorrow.

The event was sponsored by the Gulf chapter of the Society for Organizational Learning (SoL) and Saudi Aramco, which had many of its own executives taking part.

Among participants was president and CEO Abdallah S. Jum'ah, who brought Saudi Aramco senior executives to Shaybah in October 2003 for a planning session to shape a vision of the company's strategic imperatives.

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Then began the small-group, table-hopping mobile conversations that are the hallmark of the cafe experience.

Enthusiastic cafe aficionado Al-Aydh, who heads Saudi Aramco's Engineering and Operations Services (E&OS) business line, has been bullish on the concept for many years since he first learned of it at a cafe event in Egypt. He pioneered the concept in the company with last year's logistically enormous Cafe 03, at which 650 E&OS employees brainstormed about how to contribute excellence in pursuit of business-line goals. Some 800 attended the follow-up Cafe 04 event at the same venue on Jan. 7.

And, along with the Shaybah gathering, Al-Aydh's Continuing Excellence cafe-coordination team is planning logistics for other similar events around the company.

At the debut Cafe 03, held in the cavernous hangar at Saudi Aramco's air terminal next to King Fahd International Airport in Dammam, Al-Aydh said, "We are doing something new today that will help us become a learning organization. It brings us together across administrative areas and across job levels. It causes us to have a conversation with ourselves about things that really matter."

The same cross-pollination of ideas was the goal at this year's Shaybah Cafe where Al-Aydh said, "What's our expectation for today? We want to look at deep issues and think about them in a deep sense. We want to learn more from each other. I have 50 years of experience, from the first day of my life, and we have about two centuries of knowledge at each table. We can use that knowledge and explore together -- for the sake of our children and grandchildren."

He said he envisioned two possible future scenarios, which he defined as "empty pockets" or "smiling faces." He said he feared the former and dreamed of the latter.

During his introductory presentation to Shaybah Cafe participants, John Weatherburn, a planning and analysis specialist with the company's Long Range Planning Department, described the present situation in the Kingdom:

"In 2003, the Kingdom's economy grew by 6.4 percent -- posting a surplus of 24 billion riyals," Weatherburn said. "Sounds good, but the underlying trends remain. In the 1970s, the country became rich and was one of the richest on the planet by 1980. Then, in the 1980s, things started to change, prices and production fell, and an increase in population eroded the standard of living. Today, the standard of living is lower than it was in 1970."

He added: "How and why could it happen? What will we do about it? .. How will we give our grandchildren smiling faces?"

Weatherburn said an important part of the answer lies in energizing commercial and national interests and boosting productivity. He pointed to the success of Ireland, his native country, as a possible case in point for Saudi Arabia.

"When I was a boy in Ireland, there were no jobs. People were poor and ran around without shoes," Weatherburn said. "Now, Ireland is the world's second largest exporter of software after

the United States .. After Ireland joined the European Union in 1973, they educated their children so when those kids were ready to work they were prepared for the job market."

In addition to educating its workforce for market needs, Weatherburn said, Ireland offered an attractive environment for high technology companies and consistent investment incentives, and the government made it easy to start businesses.

"What is the Saudi solution?" Weatherburn asked. "I don't see why the commercial sector is growing as little as it is. What's keeping us from more growth?"

Peter M. Senge, an author, senior lecturer at Massachusetts Institute of Technology (MIT) and chairman of the SoL in the United States, was a special guest at Shaybah Cafe. SoL's mission, stated in its Web site (www.theworldcafe.com), is the "interdependent development of people and their institutions."

"This is my first time in Saudi Arabia but not my first time to work with Saudi Aramco," Senge told cafe guests. "I've been very, very struck by the progress and serious intent within the organization -- learning to learn together in a large organization."

Senge said that the problems facing the world are so enormous that "anyone who looks at the magnitude of the difficulties we face feels small."

"Collectively we have the power (to cope with global and national problems)," Senge said. "Individually, the scope is too big."

He said the cafe methodology accommodates people coming together with different points of view and sharing their ideas. "It's important that everyone shares," he said.

Later, participants were divided into four-person tables to begin throwing ideas around. Felt-tip pens were provided, and participants were encouraged to write freely on their tablecloth.

Each table was assigned a host, and the three other table-mates moved to different tables every 10 minutes or so to discuss ideas and insights that were developing elsewhere at the cafe. Creative listening, tolerance of widely divergent ideas and an open-minded quest for potentially viable solutions to complex problems were encouraged virtues.

There are no wrong answers at cafe events.

"It's important to take in multiple views," Senge said. "(You) legitimize each but then move forward with clear intent and effective options. Doing nothing is not an option."

Senge said that, far from being a new idea, the cafe is the same kind of effective communication used both in Native American tribes and ancient Greece. Many modern managers appreciate the form because it creates the kind of collective inquiry often responsible for business success today.

For the young executives taking part at Shaybah Cafe it was a chance to broaden their points of view by understanding the insights of their colleagues in the business world. "These are issues

that we all know about," said Rami Alturki of Khalid Ali Alturki and Sons, an al-Khobar-based construction company with many activities in that field. "But the interaction between the participants, the discussions and the creative thinking are unique."

So, what now?

Abdulhaiy Nazir, director of E&OS Continuing Excellence, said the value of cafe events is not an immediate tangible product or action plan. "The real outcome is not what comes out, but what happens within -- leaders beginning a conversation that will continue."

Nazir said a follow-up cafe is planned for Sept. 20-21 somewhere in the Arabian Gulf region under the auspices of the Gulf SoL organization -- and organizational learning guru Senge is expected to attend. The conversation that began at the Shaybah Cafe will continue there, he said.

"As the learning deepens with continued conversations between all of the companies that participated in the Shaybah Cafe then actions will unfold along the path of least resistance," Nazir said. "We understand that the young presidents are already having conversations with each other about how to accelerate Saudization, and that is happening without us monitoring or facilitating."

What Is Cafe?

The World Cafe is an American organization that facilitates "essential learning and knowledge sharing" in small-to large-group settings.

According to the organization's Web site, www.theworldcafe.com, this information exchange occurs through informal relationships and networks of conversation. (The World Cafe's) role includes convening and hosting collaborative conversations among diverse stakeholders to explore core questions and emerging possibilities.

"Cafes .. are flexibly designed -- inviting individual and collective reflection as well as cross-fertilization of ideas."

The Web site says that The World Cafe "helps us appreciate the importance of and connectedness of the informal webs of conversation and social learning through which we discover shared meaning, access collective intelligence and bring forth the future."

World Cafe practical techniques are designed to help groups share information and reach consensus in an efficient, effective way. The techniques are patterned after the informal conversations in cafe salons and living rooms that have spawned important new ideas throughout history.

Previously, World Cafe techniques have been used in the President's Leadership Challenge and other programs at Saudi Aramco.

Shaybah's Lessons

By Ahmed A. Ashadawy, President, Al-Falak Electronic Equipment & Supplies Co. Al-Khobar, Saudi Arabia

It was a thrilling experience to approach by air the site of the Shaybah Cafe deep in the Empty Quarter.

Our plane flew very low for a considerable distance over the vast expanse of red, mountainous sand dunes. As we watched from the airplane window, the dunes appeared to change shades before our eyes, an optical illusion due to the widely varying angles of the sun's reflection. Lying between some of the dunes were flat, bare, white-colored areas resembling dry lake beds. We were told that these are salt flats, called *sabkha*. Satellite photography over the years has confirmed that the dunes move around during storms and pass over -- but never settle on -- *sabkha*, which remain stationary as time goes by.

So suddenly that it took everyone by surprise, the Saudi Aramco Shaybah facility came into view. Magnificently erected in the middle of nowhere, it looked like an exotic resort destination.

The first thought that struck me when I looked down on the shiny new facility is, "This is not a *shaybah* (Arabic for old man); it's a *shabb* (young man)."

I've recently learned that the Shaybah facility is a favorite location for Saudi Aramco Executive Management to conduct high-level strategic planning. This trip -- called the Shaybah Cafe -- is the first such meeting that non-Aramcons have been invited to attend and participate in. Invitees included Saudi Arabian business leaders representing a broad spectrum of businesses and organizations throughout the Kingdom and Saudi Aramco employees, including 14 members of the company's Saudization Steering Committee, seven of whom are non-Aramco Saudi businessmen.

The Shaybah Cafe was organized by the Saudi Aramco chapter of the Society for Organizational Learning (SoL), a group dedicated to using the concepts of organizational learning to help organizations maximize their potential. Saudi Aramco SoL activities are coordinated locally by Saudi Aramco's Exploration & Producing organization and by the Engineering and Operations Services business line's Continuing Excellence group.

Shaybah Cafe is actually a process of using dialogue to probe deeply into complex questions. The setup is a large room filled with small round tables. A maximum of four participants sit at each table, and each is given time to provide input on a thought-provoking question. One of the four -- the Table Sponsor -- records the shared ideas. Every 20 minutes, three of the four table-mates (everyone but the Table Sponsor) move to different tables to share their ideas with three different table-mates. The Table Sponsor remains at the same table and briefs the next group on what he has already recorded. The newcomers each delete bring the ideas that were generated at their previous table to share at the new table.

By the end of the session, a huge number of ideas and suggestions had been discussed and debated. Out of these many ideas and suggestions, a few specific key issues and suggested

solutions emerged.

I was privileged to sit with Saudi Aramco President and CEO Abdullah Jum'ah. Mr. Jum'ah posed the following question to us: "We at Saudi Aramco are fully aware of what we need to do to stay ahead of the competition and remain the No. 1 industry producer while responding equally to the challenge of national and community obligations and responsibility. So I ask you as members of the non-Aramco business community: What are you doing and contributing to the community?"

One of the suggestions that came up answered an agonizing question that's been on my mind for many years. We all know that a major issue our country faces is empowering and enabling our youth with the skills, motivation, and ethics to help them get and hold jobs, and carry on from our generation the future of the country and our grandchildren. In fact, a few months ago, the Riyadh Chamber of Commerce conducted a two-day seminar on the subject of "Job Creation and Youth Motivation."

At that event, I recall listening to three distinguished professors specializing in motivation, education and the training of youths, providing them with what they need to be employable in the private sector.

I posed the following questions to them at the end of their eloquent, academic speeches: "We have provided our youths with the privileges of an early retirement before they've even started studying or working. They are very smart to figure out that they currently enjoy the comforts of shelter, food, security and entertainment, so why should they go through the trouble of studying and working just to achieve what they already have

-- the benefits that their parents spent 40-odd years working to obtain (a secure regular income and the freedom to enjoy life)?"

This reality is reinforced by our cultural tradition to provide for our children as long as they need; we can't really "send them away" once they reach 18. Furthermore, our Shariyah law requires that we help them financially to get married if we can afford it.

During the Shaybah Cafe, I think I found part of the solution to this troubling dilemma. During the idea-generation segment, Salim Al-Aydh, Saudi Aramco senior vice president of Engineering and Operations Services, gave a presentation on the theme of two possible futures for our children, one smiling and one crying. Mr. Al-Aydh warned that the Saudi economy today is not keeping pace with population growth, and he displayed a graph that projected an average Saudi would be living on \$2 a day by 2025 if the country's economic situation does not substantially improve.

One of the suggestions we discussed that I feel has a strong potential to motivate our youths is this: We should all share Mr. Al-Aydh's graphs and data regarding the two possible futures -- smiling faces or empty pockets -- with our children, immediate relatives and acquaintances. They simply don't know what lies ahead. They are like a man who sees water in the distance as he walks toward the horizon, when actually it is only a mirage.

Now, I urge and encourage each one of us to carry forth this message, day and night, to the people we know -- especially our young -- to help them understand the potential ugly consequences of not taking positive action now.

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