



20Qs: 16. WHAT is UNDERTAKING? 17. HOW is SURVIVAL Ensured? 18. WHY is TRUST so Important?

16. UNDERTAKING has 2 opposite (but complementary) meanings: BIRTH & DEATH (i.e. funeral people)
This is an appropriate metaphor, as RES hands over most/software activities to RESnet (independent company) & proposes new approaches, like franchises (old in most industries but not practiced in Upstream O&G) Such modifications would aim at broadening the base of support & sense of ownership by all progressive clients: **clients could customize what they want as their own system, as RESnet ensures uniform engine quality.** In this sense, it may be different from (better than) "Open Software" structure but have similar open methodology --**"client is king" would be guiding philosophy, with rapid feedback loops for each individual application** as RESnet has been learning to do in the past 5 years & has now mastered to levels adequate to justify TRUST. **Such trust is critical to such a process of "Creative Destruction" (as Schumpeter called it in Economics)** as many deeply entrenched ideas & models will be changed by this process, for the better of most in our industry **(Even those suffering from "cubicle mentality": applications, like FRACPRO, will be more powerful now).** Such "Quantum Leaps" (like "Crossing the Chasm" or whatever managerial ideas you prefer) require SURVIVAL --**it was essential (for a company like RES, that "spins-out" technology) to ensure RESnet would survive.**

17. SURVIVAL: our ancestors developed this art better than any other. Lessons can be learned from that extraordinary unwillingness to accept "status quo" & survive among (eventually overcome) entrenched opposites that has led to the many benefits (like freedom) that most have available today (even if they abuse them). Lesson No. 1 is INDEPENDENCE: "you will never lead by following the crowd" (despite contrary claims of most). **It is amazing how many distortions of original leadership (in business, as in religion) are used as "flags"** that people wave, in the desperate confusion that they experience in our fast-changing world (as in globalization) **Just as religions continually "metamorphose", often on whims of "leaders", businesses follow "models"** until they crash onto the "Rocks of Reality", as amusing discussions of O&G models (like fracturing) demonstrate **(Many are driven by current short-term perceived interests of vendors but their days may be numbered,** precisely because their success is measured in (next quarterly) numbers, driving them toward "steroidal abuse"). **Which leads us to lesson No.2, LONGEVITY: "mens sana in corpore sano" is old, true & ignored by most** -leading to extraordinary "new diseases of our modern age", like stress & manias (often mostly egocentric kinds), **driven by insecurities of "new circumstances" (for many) & lack of confidence, caused by lack of TRUST**

18. TRUST: IT IS NOT POSSIBLE TO OVERSTATE THE IMPORTANCE OF THIS WORD IN ALL OUR LIVES but our main focus here (really) is business, where recent developments strongly prove its value (by its absence): **in studies of economies (good & bad countries), trust was found far ahead (of education, resources etc).** In four decades in business (& much more in our life), we have witnessed examples first-hand around the world: **we choose to do business only with those whom we trust (in all senses) & that dictates long-term trends** (We don't blame our friends in the USA for the "outbreak of lawyer disease", that is now propagating world-wide; **"the rule of law" is essential to a functional society -but any extreme is bad (absence or excess legalese,** both of which are natural magnets in a society lacking trust & equality, i.e. in practice vs theoretical mechanisms) **YES, we could be discussing any aspect of modern society, but we're focused specifically on O&G; why?** When we lose trust (sometimes a nebulous thing, but based on past realities in O&G, so let's be honest about it), **TRUST IS THE MOST EXPENSIVE COMMODITY TO BUY (BACK), AS HISTORY SHOWED MANY NATIONS** --propensity to misrepresent the past may work for awhile (among those with vested interests) but fails ultimately.

History shows that "those who get IT avoid repeating IT" (sorry: a whimsical play on multi-faceted "IT"); yet O&G (for example) is 1 ultimate example of bottom-feeder, in things that others already got & "passed over"; **O&G literature is full of 2nd (or 3rd or more) generational ideas, some akin to religious rites & their facets.**

We are big supporters of religious freedom, but THESE ARTICLES ARE ABOUT (multi-trillion) BUSINESS: what's the problem; how to solve it; why does it persist? Read 1 last chapter of THE NEW ENERGY IND(UST)RY