

Strategies to Fuel the Energy Workforce

An Overview

The energy industry in the United States and Canada is changing dramatically. It has the opportunity to transform from an industry in decline, to one of growth and opportunity. However, to fully realize its growth potential, the industry needs access to the right talent supply.

Without that talent, billions of dollars in energy company investments and new technologies could go to waste. The potential to be a leading global exporter of energy could go untapped. Establishing a competitive advantage for talent above and beyond that of growing industries, such as information technology and health care, is essential.

Talent is the new driver of growth for the 21st century.

Manpower's new four-part series, *Strategies to Fuel the Energy Workforce*, examines today's talent shortage, the drivers behind it, mistaken perceptions about the industry, and the best practices of companies and educators. It provides a framework for understanding the workforce strategies that energy companies can use to gain competitive advantage and ready themselves to compete domestically and globally.

To understand what keeps executives up at night and learn more about the innovative workforce practices that are getting results, Manpower conducted a series of one-on-one interviews with energy company executives, educators and workforce advocates in North America. In addition to providing rare insights into this topic, the interviews informed the development of an online survey that helped quantify the scope and urgency of the talent shortage.

What emerged is a sobering picture of immediate needs and a future with grave loss of opportunity unless proactive and cooperative action is taken. Business leaders must be able to make faster decisions with a nimble and agile workforce to get at the heart of the solution.

The bottom line is that the talent shortage in the energy industry has become too large and complex a problem for any one stakeholder or group to solve. Collaboration between companies, educators and government is necessary to ensure that companies thrive, and the energy sector remains a key driver of economic growth for decades to come. Companies need to share their needs more openly while educators need to focus on early STEM education and build portable and standardized curricula customizable to changing needs and technologies. The series provides a blueprint for navigating the certain uncertainty that characterizes the energy industry.

Methodology: The Manpower Energy Workforce Study

To capture stakeholder concerns about and strategies for overcoming the talent shortage in the energy industry, Manpower conducted a series of 17 one-on-one phone interviews with human resource executives, training and education experts and workforce development advocates in the U.S. and Canada energy industry. Interviews were conducted between September 6 and November 25, 2013 according to a predetermined questionnaire. In addition to the insights obtained, the interviews informed a subsequent online survey of 26 questions. The online survey was distributed via email to more than 6,000 energy company executives between November 5 and December 20, 2013.

Responses (n=76) are equally distributed between upstream (exploration and production), midstream (transportation, storage and wholesale marketing), and downstream/utilities (refinement, processing and delivery). Sixty-five percent of respondents hold job titles of Manager/Supervisor or Director. Forty-eight percent work in human resources with the remainder in operations, technology or other functions. Twelve percent of survey respondents work for companies employing fewer than 250 employees, 18 percent with 250-1,000 employees, 44 percent with 1,000-5,000 employees, and 33 percent with more than 5,000 employees. While only five percent of survey respondents indicate their company's home office is based in Canada, 28 percent of survey respondents report operating in Canada.

In addition to the primary research data, statistics from various secondary research sources were used in the preparation of this report to substantiate or contrast the research findings.

Given the small sample size, only survey outcomes that show a significant and consistent majority of opinion are cited here. Survey outcomes in this report are not statistically projectable.

Existing research data for the energy industry is compiled largely by sub-sector (e.g., oil and gas, solar, utilities) and cannot be aggregated to represent the diverse nature of the energy industry as a whole.



About Manpower

Manpower,[®] a part of ManpowerGroup,[™] is the global leader in contingent and permanent talent resourcing, workforce programs, and workforce insight and innovation. For more than 65 years, we have helped our clients succeed by leveraging our industry-leading network, providing them with access to a deeper talent pool, unique market knowledge, and actionable workforce programs to help them enhance their efficiency and profitability.

Learn more about how Manpower can help you with energy workforce solutions at manpower.com.

The study is presented in four reports:

- Report One: The Energy Workforce Crisis, focuses on the drivers of the talent shortage, namely a "double squeeze" on workforce talent. High rates of retirement create a gap in the talent needed, while a broken education system and clogged pipeline of skilled entry-level employees give cause for increasing concern. Meanwhile, rapid technological change is reinventing the industry and simultaneously making it difficult to forecast talent needs
- Report Two: What's Working in Energy
 Workforce Development, examines the best
 practices of companies and educators working to
 overcome the talent shortage. Four strategies are
 discussed: 1) building the supply of skilled workers,
 2) increasing access to talent, 3) mitigating the
 demand for new talent, and 4) forming cross-sector
 collaboration to scale best practices.
- Report Three: Rebranding Energy Jobs, looks at a largely understated problem: the need to rebrand energy jobs to better appeal to younger workers. Negative perceptions and misinformation about today's energy jobs among parents, students and career counselors have led to a generation of skilled workers steered toward information technology and healthcare jobs over good-paying energy positions.
- Report Four: A Call for Collaboration, proposes a path forward for the industry and outlines what executives, policy makers and educators can do today to ensure a brighter workforce future