



Talent Search

Seeking a New Generation of Workers in the Oil and Gas Industry

By Sylvia Vorhauser-Smith

Complex challenges are nothing new for companies in the oil and gas industry that are well-acquainted to extracting limited resources from remote locations. Yet, the industry is facing a new challenge. There is a global, industry-wide shortage of one of the key resources these companies need for sustainable growth: talent. As the older members of the workforce retire, the oil and gas industry is left with an insufficient pool of young employees to step in and take over leadership roles.

What results is a fierce competition for talent from all over the world. To attract entry-level employees, companies are offering higher salaries than ever to make their jobs more appealing. But this technique doesn't get to the heart of the problem –today's college graduates and entry-level workers are looking for more than just high salaries.

The new generation wants careers with opportunities for advancement and continuous development. As the industry is looking for young talent to stay with the company and take over leadership positions as older workers retire, the needs of employees and employers indeed match up. However, organizations must do a better job of presenting the great opportunities available to new workers in the industry. The companies that align their needs with those of this new generation of worker through cutting edge recruitment strategies and tapping the global talent pool will be best suited for successfully filling their key talent gaps.

Why the Gap Exists

The serious talent shortage is caused by the “camel-back” structure of the industry. It is currently comprised of a large number of workers over the age of 50, a lack of those in the 30-50 age range and a small but steady supply of younger workers. Although the number of entry-level employees continues to trickle in, there are not enough in this group to compensate for the lack of mid-level employees and to take over the openings left by the retiring workforce. What results is a serious

structural misalignment between the current skills of the workforce and the skills required for the future.

Organizations have tried to compensate for this problem by engaging with the education sector to attract students to the industry and work to define the skills that students will need for its occupations. Many companies have also implemented global rotation programs for those younger workers already in the industry, aimed at preparing them for future leadership roles. These allow younger employees to learn about the different opportunities in the industry and to develop a broad base of skills across different countries and regions.

While a rotational program is a step in the right direction to developing future leaders, such programs don't provide companies with the insight necessary to determine which employees show the most promise. Without a way to measure their potential, companies won't have the analytics about their employees to determine who is best suited for filling in the key leadership positions as they open up. Organizations that embrace talent management and acquisition technology in their recruitment strategy, however, will be better able to analyze their current workforce, determine the gaps that need to be filled and put the most qualified people into these roles.

Using Talent Management Technology

In order to properly leverage the global talent pool, companies will need an integrated system for talent acquisition that helps them accurately assess the skills of

future employees and tie this information in with their business needs. Additionally, such recruiting technology is essential for companies operating in multiple countries, as these organizations need a dynamic system in place for recruiting, hiring and managing talent across borders.

A technology-based talent management solution is also useful in developing a strategy for retaining qualified employees through career planning and ongoing development. Showcasing possible career paths and the skills needed for future positions can help organizations to keep top performing workers in the company. A robust talent management solution can help map career path options for current employees and promising candidates as well as unify processes from acquisition to succession planning,



The oil and gas pipeline construction industry is facing a worldwide labor shortage, as experienced workers are nearing retirement and not enough new talent to fill the ranks. By embracing recruitment technology, the industry can find qualified workers.

allowing employees and managers to work together to optimize career planning.

Three Ways to Boost the Talent Pipeline

In order to get to the point where employees and candidates can think about career paths, organizations first have to attract them to the industry and entice them to stay. What follows are three methods for increasing hiring to ensure a steady pipeline of talent to replace the retiring generation.

Developing Talent Pools: To compensate for the low number of new employees, companies will need to build deep talent pools from which they can source new talent, which involves the development of clearly defined skills that are aligned with business strategy. Once these needed skills are outlined, companies can develop the critical competencies necessary for key leadership and technical positions as well as other areas of business experiencing high growth.

State of the art talent acquisition technologies can enable dynamic talent pools of qualified candidates to be created and nurtured. With clearly defined technical and behavioral competency profiles providing the blueprint for needed talent, companies can proactively source internal and external candidates and use artificial intelligence to match them with career opportunities.

After putting the effort into building a talent pool, it's important not to ignore its occupants. Social media can be used to maintain relationships with candidates, and updating them with company and project information and sharing insights will help to keep candidates engaged. With the entire industry juggling high demand for growth with a limited labor supply, nurturing the talent pool is a key factor to maintaining a steady source of talent.

Sourcing Across Borders: With colleges in the United States only providing 20 percent of the engineering graduates that they did 20 years ago, filling the gaps left by the aging workforce will be difficult for companies only looking at the domestic workforce. As a result of this deficiency, companies will have to turn their recruiting efforts to the international market for any chance of success in filling employment gaps. Of particular interest for companies are the high-growth markets of China and India and the emerging markets of Southeast Asia, such as Vietnam and the Philippines, since they are producing a new generation of qualified talent.

But sourcing candidates from these regions presents a new crop of challenges for companies in the oil and gas industry. Recruiting international talent involves complying with strict government standards and introduces the difficulty of cross-cultural communication. Again, talent management technology will be an integral part of international recruiting, allowing for consistent and standardized processes for sourcing, hiring and developing candidates from foreign markets.

Embracing Mobile Technology: As younger workers become increasingly mobile, companies in the oil and gas industry will have to embrace the technology in

order to attract and communicate with the new generation. And doing so will facilitate communication with potential talent from all over the world. Additionally, research by the Aberdeen Group shows that companies that actively use mobile technology report a 72 percent increase in operational efficiency.

In an industry where employees are often in offshore or remote locations, mobile technology can streamline recruiting processes, giving recruiters and hiring managers more access to potential talent from anywhere in the world. With mobile devices, companies can initiate recruitment requests, approve job requisitions, screen candidates, conduct phone and video interviews and carry out pre-employment activities. It also facilitates the candidate experience, giving them immediate access to new opportunities and allowing them to apply for positions, complete screening and assessment activities and, once hired, begin company orientation.

The oil and gas industry faces some serious headwinds as they lose their most experienced workers to retirement. However, proactively developing ways to fill employment gaps with qualified workers is the key to combatting this problem. By embracing recruiting technology and using it to attract a new generation of workers from all over the globe, the industry will have a steady stream of new talent to ensure future vitality.

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