

# NORTH AMERICA OIL & GAS HR FORUM

## 12<sup>TH</sup> JULY, 2016 | HOUSTON, TX

High performance. Delivered.

FINDINGS FROM OUR 12<sup>TH</sup> ANNUAL HR SURVEY WILL BE PRESENTED

## KEY INSIGHTS COMING FROM THE INTERVIEWS WITH OIL & GAS HR PROFESSIONALS IN 2015

Oil and gas (O&G) companies face a critical challenge: developing an HR strategy and workforce that can weather today's oil price uncertainty without compromising their future.

Our North America Oil & Gas HR Forum is devoted to helping O&G HR decision makers in this quest. During this informative event, we will explore the results of our latest HR benchmark, which measures the impact of the current oil crisis on human resource issues in our industry. The benchmark is based on in-depth research on more than 30 Majors, NOCs and Independents, and includes more than 20 interviews with HR directors of O&G companies ranging from large NOCs in the Middle East to small Independents in North America.

Two central themes emerged from our benchmark, and they will be among the Forum's key focus areas:

- Building and designing an agile company to respond to industry cycles
- Transforming the industry and integrating changes associated with the workforce of the future

### Building an Agile Company

Corporate agility, the Forum's first central theme, is by far the most common concern in the current market conditions.

Key questions we will explore include the following:

- How can we infuse agility in our business to react to down and up cycles?
- How can we do a better job managing the company's core workforce?

- How do we leverage the contingent workforce as both a buffer against uncertainties and a future growth engine?
- How can we make HR more responsive to changes in business strategy?

The Forum's morning session will focus on the central components to building an agile company: the core workforce, the contingent workforce, and scenario-based workforce planning.

The core workforce is a limited multi-disciplinary population that is critical to a company's success in both the medium and long term. This workforce embodies all the capabilities a company needs to pursue and achieve its strategic objectives. We will discuss how an agile company defines and protects the core workforce in good times and bad to maintain competitiveness.

The contingent workforce—the extended PTP workforce that includes contractors—complements the core workforce and is becoming an essential lever companies can use to respond to cycles. However, its effectiveness requires both internal functional and external partner collaboration as well as diligent management. We highlight the best practices an agile company's HR organization uses to manage the contingent workforce in concert with staffing agencies, service companies, and company business units to generate the biggest benefits.

Scenario-based workforce planning allows companies to model their HR strategy to account for market uncertainties and volatilities. We illustrate how it can help companies seamlessly link business unit activity planning and HR workforce strategy, as well as enhance the flexibility of all aspects of HR strategy.

### Preparing for the Workforce of the Future (#FutureWorkforce)

The workforce of the future is the Forum's second central theme. With global industry layoffs reaching 350,000 people and counting, companies seek ways to better utilize the remaining and limited talent pool. Among the important questions we will explore are the following:

- How will technology and data analytics reshape both the workplace and workforce of the future?
- What lessons can our industry learn from telecom, where the shift to workforce of the future is fully under way?

- How will universities prepare graduates for the O&G work of the future?
- How can companies change the nature of work and spur innovation through cross-functional teaming?
- Will recruiting and training strategies fluctuate with oil prices, or will companies look for continuity in their efforts?

During the Forum, we will explore how technology and data analytics will completely reshape the workforce. We discuss why, like other industries, O&G must embrace a new wave of innovations fueled by data management, robotics, and digitalization; and how they can adopt a number of key technologies and enablers to raise PTP productivity to a level previously unthinkable.

We will look at how many companies now believe the ability to effectively set up, manage, and reward multidisciplinary teams at both the corporate center as well as the asset level will be important to increasing overall project value. As part of that discussion, we will review examples of how companies within the industry have adopted holistic frameworks to build and foster cross-function integration in project teams.

Finally, we will illustrate how steep declines in recruiting are currently setting up the industry for a well-known trap: a diminished campus image, difficulty attracting top engineers, and reduced training investments. We will discuss why O&G companies need to shift their mindset from viewing new graduate recruitment and workforce training as a cost to seeing it as a longer-term essential investment they must sustain to prepare them for the future.

### Important Lessons for Critical Times

Our Forum's overarching message is this: It is time for O&G companies to adopt a new HR paradigm in which technology, data analytics, and scenario-based workforce planning replace past short-term performance and intuitive experience as the foundation of their HR strategy and workforce decisions.

Always a critical function, HR requires special attention today. We hope you will join us in July to discuss your particular challenges and hear the latest thinking on how to transform HR to more effectively support today's—and tomorrow's—O&G business.