

Oil & Gas Careers – The State of Play

Deirdre O'Donnell

Managing Director, Working Smart Limited

1998/1999 Crash - Outsourcing Trend

Birth of Flexible Organisation in O&G



Working Smart

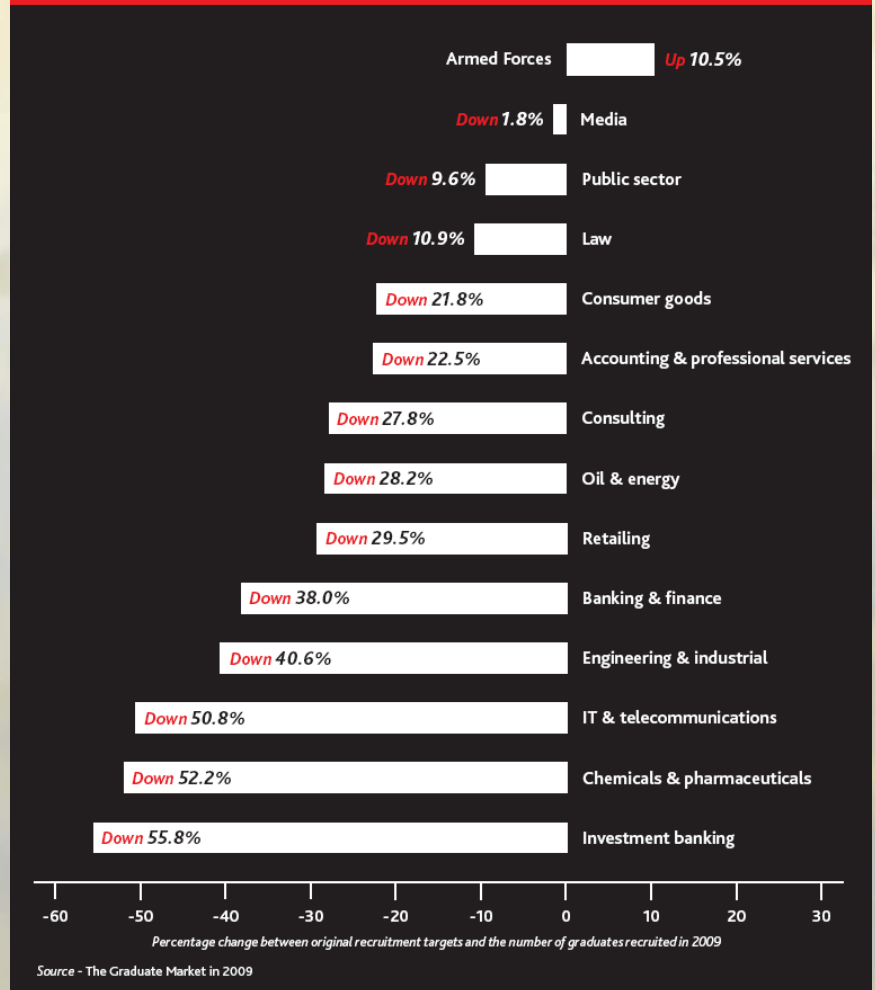
Impact of 1999 Crash

- End of the “Career for Life” model
- Major layoffs across the supply chain
- Graduate programs cancelled/reduced
- O&G graduates join other industries – IT, Banking
- Training/Development budgets slashed
- Reduced sponsorship - MSc and PhD
- R&D moved out of operators
- Major reduction in graduate intake...
- Employer/Employee loyalty ends
- Boom/Bust - poor perception with young
- Emergence of consultancies

Impact of 2008 Crash

- Poor year for Graduates
- Immediate reaction
- “Local content” increases
- Less Ex-Pat Assignments

Chart 3 How Graduate Vacancies for 2009 have been Revised, by Sector or Industry



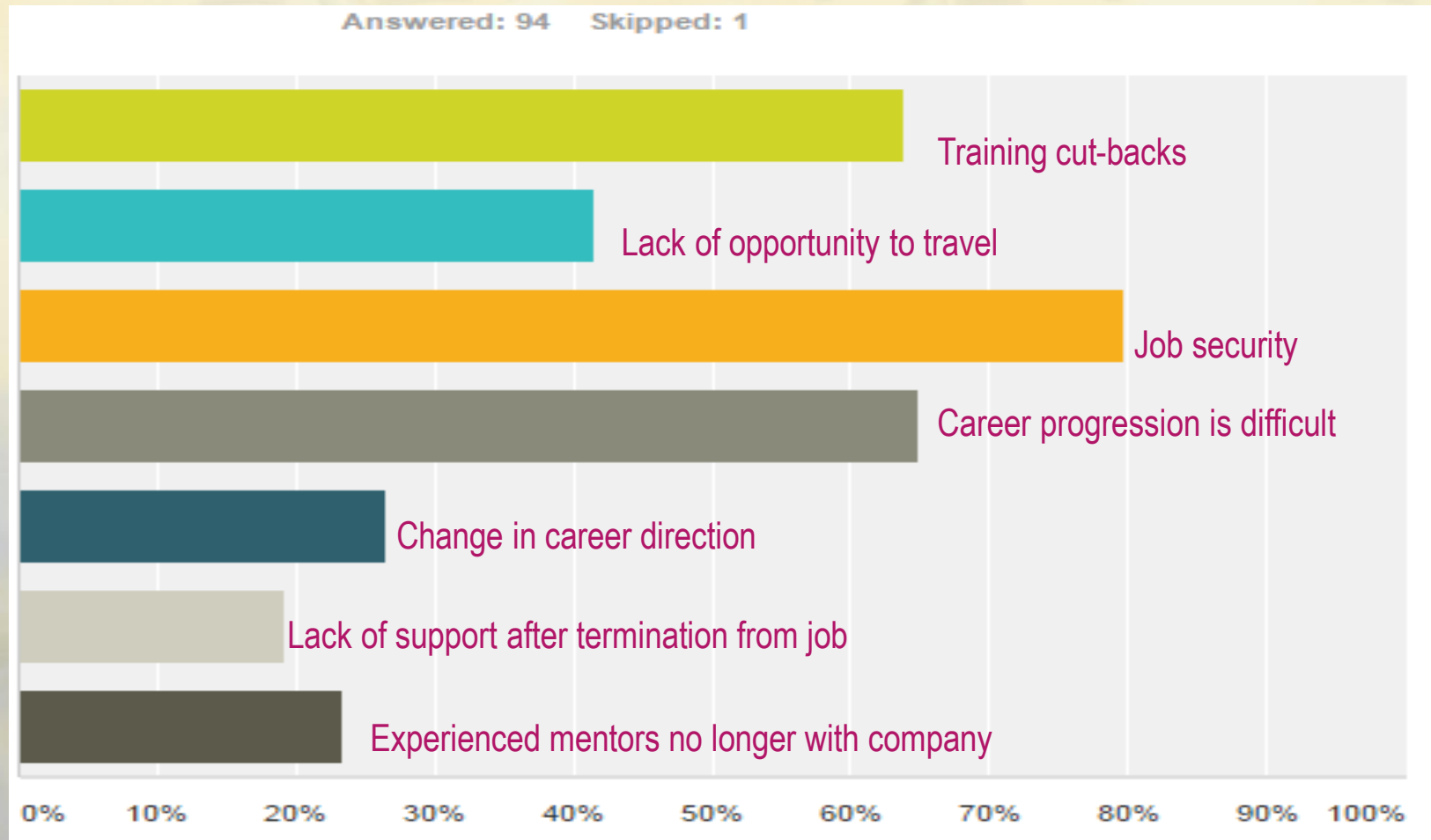
Source: High Fliers Research June 2009

Impact of 2014 Crash

- Major Job cuts
- Consultancy day rate cut 15%-30% Some Salary cuts
- Services cuts 45% Rig Charges cuts 50%
- Offshore shift pattern changed – 2 on 3 off to 3/3
- Many 60+ age demographic - retired, reduced days....
- Boom/Bust culture prevails...

Young Professionals - Survey Results

What are your main concerns related to a low oil price environment?



Source: Survey 2015 SPE/PESGB/AFES

Looking back on what happened after the 1999 crash, when there were few graduate jobs, will the same thing happen again? Will we be the next **lost generation?**”

Source: Devex 2015 - Young Professional

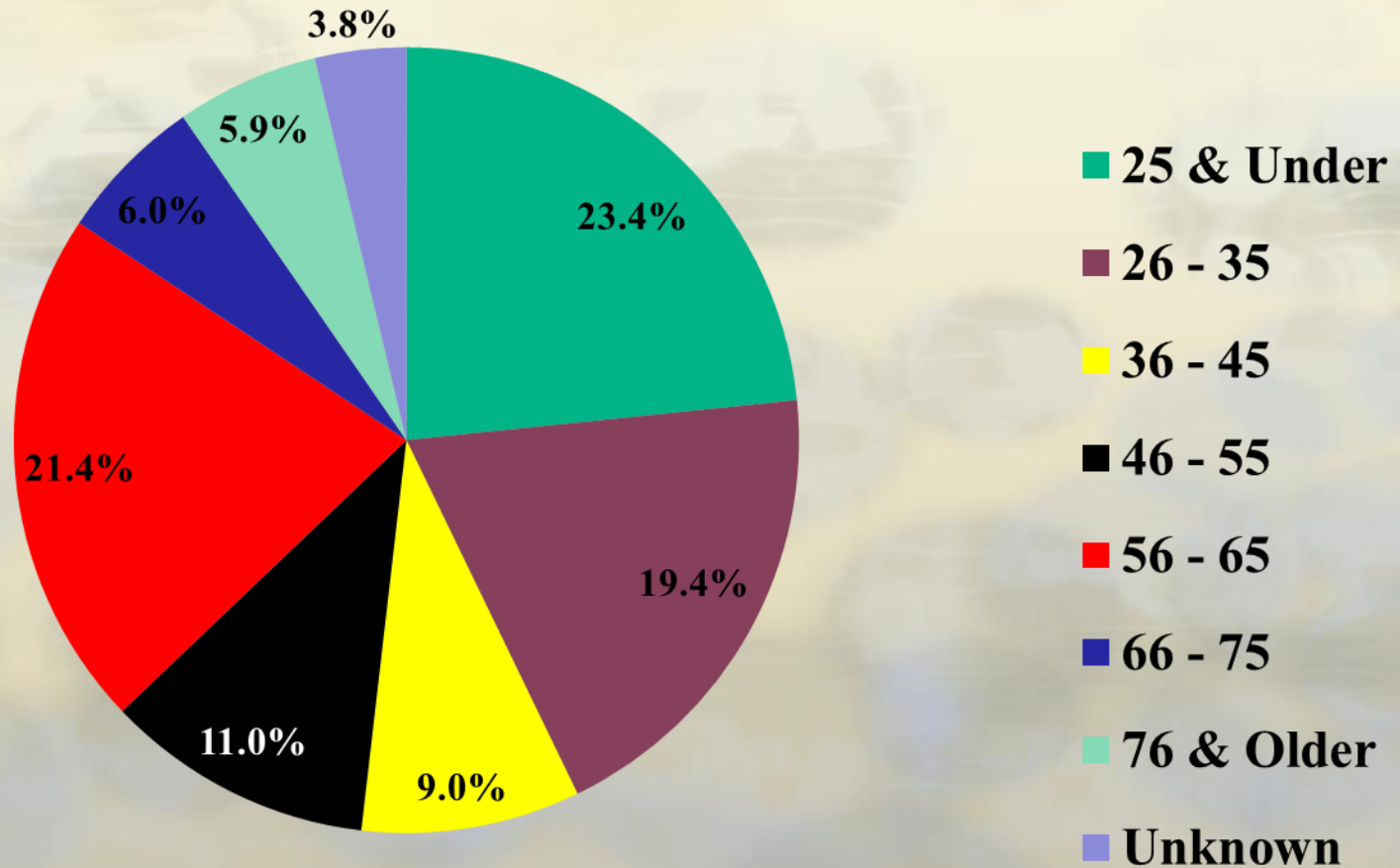
Impact on Young Professionals

- Some YP layoffs
- Graduate programs cancelled/reduced
- O&G graduates join other industries
- Training/Sponsorships cut
- Workload increases
- Financial
- Lack of mentoring programs...



Some Statistics

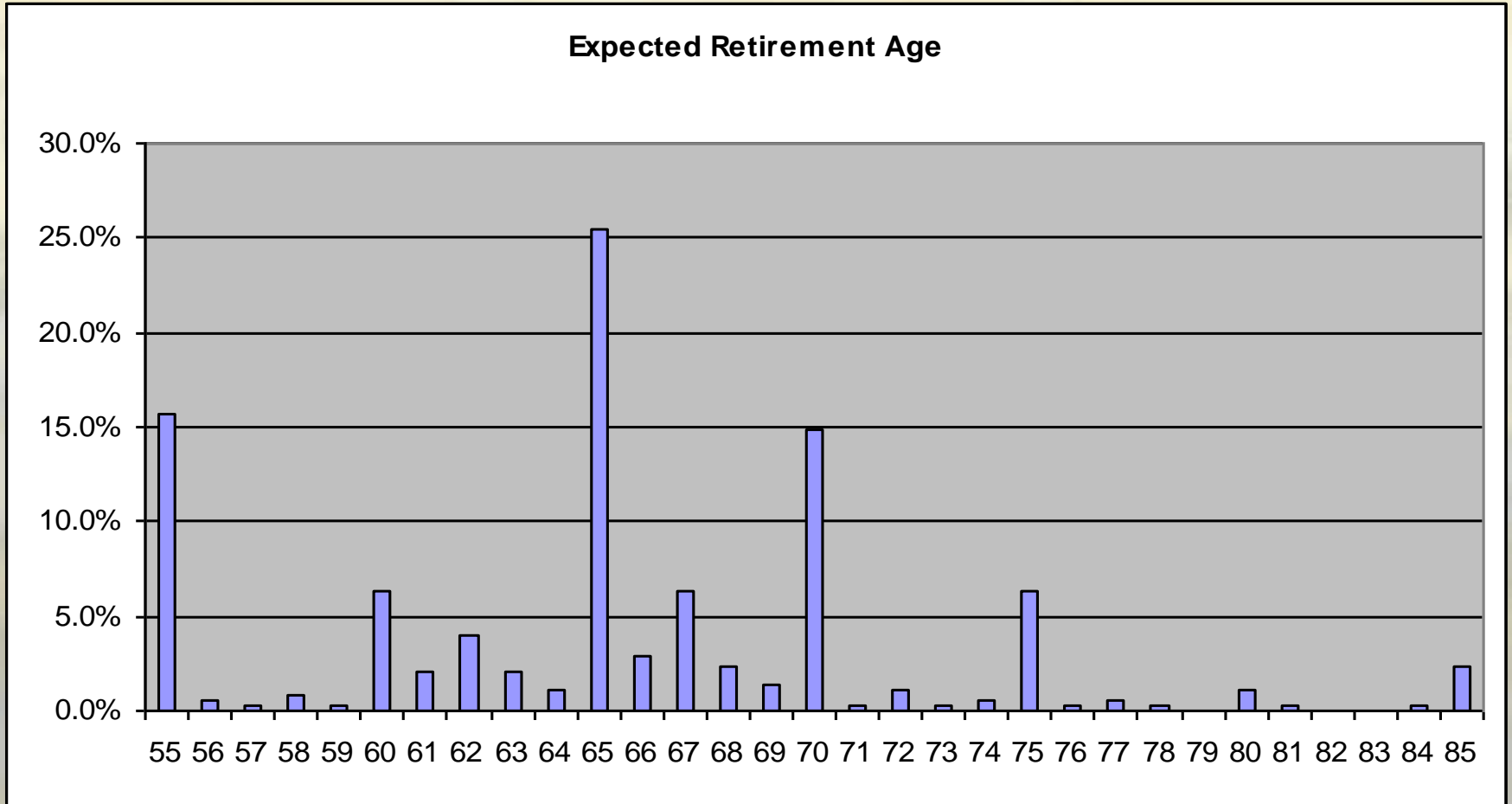
Membership by Age



AAPG MEMBERSHIP DEMOGRAPHICS

Working Smart

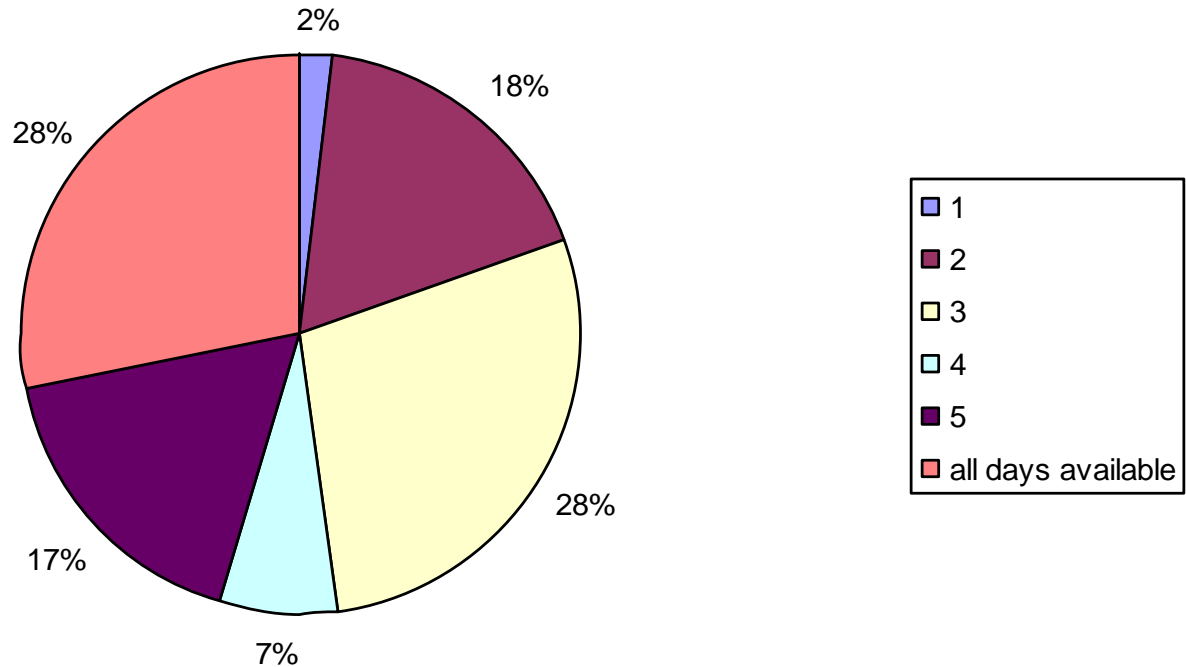
What age do you intend to retire at?



Working Smart Research 2011 – “Great Crew Change – Fact or Fiction”

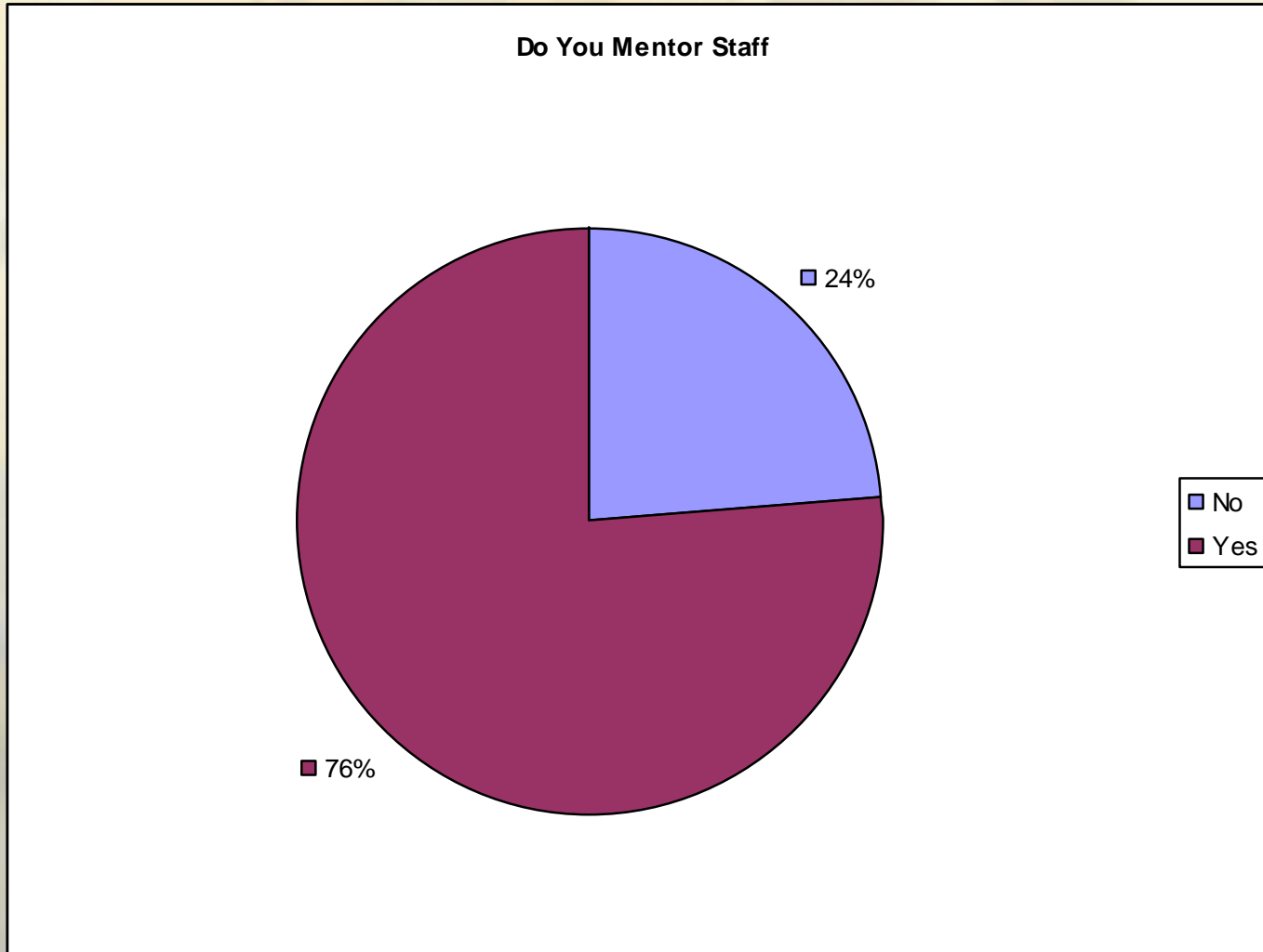
Available Resource

How many days a week do you envisage working after your intended retirement age.



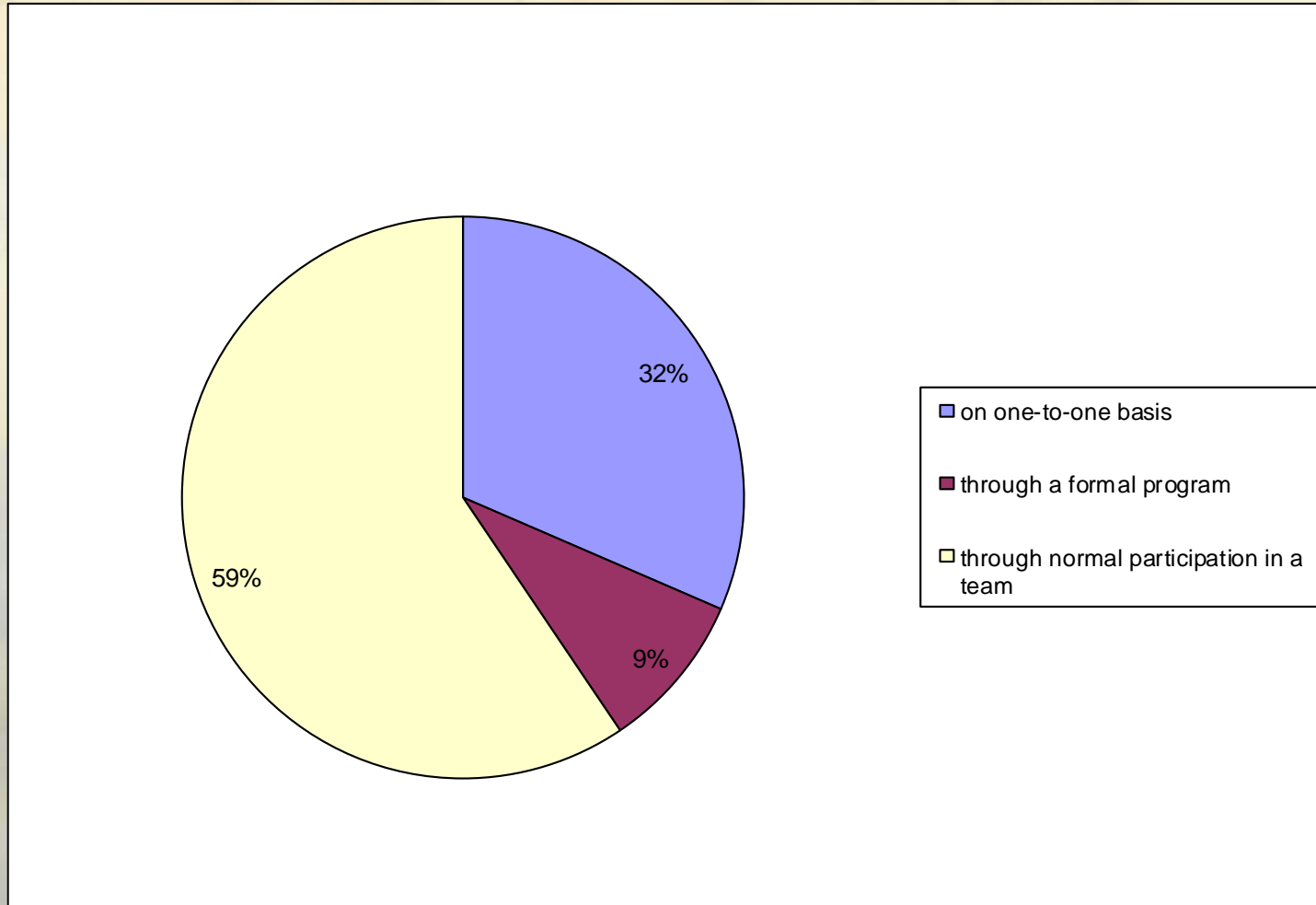
Working Smart Research 2011 – “Great Crew Change – Fact or Fiction”

Do you Mentor Staff?



Working Smart Research 2011 – “Great Crew Change – Fact or Fiction”

How do you mentor?



Working Smart Research 2011 – “Great Crew Change – Fact or Fiction”

Recognised Industry Resource Challenges

- Departure of baby boomers
- Competition for geoscientists & engineers
- Greater collaboration between industry and academia
- Global decrease of graduate intakes
- Tapping into the global pool of graduates
 - non-standard qualifications across countries
- School to Graduates to professionals
- Transferring Knowledge - Mentoring
- Attract/Retain/Manage for leadership
- Negative Image of Industry
- Managing the volatility of the oil price

Final Thought

**With our ageing workforce departing,
minimal mid-tier expertise and limited
graduate prospects...**

**Devising a low cost sustainable
'Resource Strategy' has never been
more critical!**