



PROJECT BACKGROUND, OBJECTIVES AND SCOPE

Ensuring the availability of a skilled labor force is one of the petroleum industry's most pressing needs. This was confirmed in *The Decade Ahead*, a strategic study of human resources within the Canadian upstream petroleum industry, produced by the Petroleum HR Council.

One of the greatest challenges for the industry in meeting the demand for skilled labour is that, for the most part, the petroleum industry's growth areas are in hard-to-recruit locations. Hard-to-recruit locations are characterized as locations that are some distance from major populations centers (rural/remote) and/or are impacted by "hardship" factors such as lack of amenities (education, medical and retail facilities, and housing) and spousal employment opportunities, and/or have a higher cost of living. Other indications of hard-to-recruit locations include turnover rates, the length of time employment positions remain vacant and overall recruitment costs.

Recruiting people to hard-to-recruit locations for work is just half the battle; companies and communities have to work even harder to get their good people to stay. Offering employees more money is not the answer. Skyrocketing labour costs are severely impacting every company's bottom line and are simply not sustainable in the long term.

The petroleum industry has acknowledged the need for a more innovative approach to attraction, retention and workforce development – especially for hard-to-recruit locations.

A Unique and Innovative Approach

The Petroleum HR Council has developed an "***Increasing the Talent***" toolkit ([link to toolkit PDF](#)) – an innovative resource designed to help industry and its stakeholders understand attraction, retention and workforce development issues and challenges, particularly as they pertain to hard-to-recruit locations. It provides a sensible starting point for identifying potential, sustainable solutions to the industry's labour challenges.

The ***Increasing the Talent*** toolkit ([link to toolkit PDF](#)) consists of

- **A conceptual model** built around the major decision points a potential employee may face in deciding whether or not to work in the petroleum sector, through collaboration as well as individual company efforts, to influence the attraction and retention of employees;
- **Best and promising practices** that provide practical, detailed examples of how companies and organizations inside and outside the petroleum sector are solving HR issues; and,
- **An inventory of tools and resources** to assist HR practitioners and others in their efforts to address recruitment, retention and workforce development issues.

There are three key factors that make the ***Increasing the Talent*** toolkit ([link to toolkit PDF](#)) unique and innovative:



“Big-picture” View

The petroleum industry's labour challenges and solutions are complex. Therefore, the ***Increasing the Talent*** model takes a big-picture look at attraction, retention and workforce development and identifies all the contributing factors. Understanding potential solutions is key to the big-picture view.

“Systems-based” Approach

Rather than looking at attraction, retention and workforce development as isolated parts, the ***Increasing the Talent*** model presents industry and its stakeholders with an opportunity to take a more “systems-thinking” approach. Using this systems thinking approach, each component of the model is connected. Considering the relationships and interactions among attraction, retention and workforce development – and among the industry, companies, communities and people involved – allows for greater opportunity to benefit from innovative efforts.

“Focus on Collaboration and Partnerships”

Collaboration is the key to solving attraction, retention and workforce development issues in hard to recruit locations. In many instances, working together will address common objectives. For example, “Industry Attractiveness” is identified as a decision factor. For the petroleum industry to attract potential employees, companies, industry associations and other stakeholders must work together to improve the image of the industry and provide accurate career information among other initiatives. Getting the attention of potential employees is in the best interest of industry as a whole and therefore “Industry Attractiveness” initiatives are a natural place for collaboration.

Many of the solutions to the attraction, retention and workforce development issues the petroleum industry is experiencing in hard-to-recruit locations and elsewhere will require industry to partner with others. Partnerships expand the base of resources and talents available to address the issues, and increase the cost efficiency of various initiatives. Post-secondary institutions and youth, immigrant, women and Aboriginal organizations are examples of groups that are valuable industry partners.

In some hard to recruit locations, collaboration may need to include working with the other industries represented in the area to effectively impact attraction, retention and workforce development issues. Some of the industries most likely to be operating in some of the petroleum operational areas include construction, agriculture, mining and forestry.

Using the ***Increasing the Talent*** Toolkit ([link to toolkit PDF](#))

The toolkit is designed for a number of important uses, including:

- Creating awareness and understanding of attraction, retention and workforce development issues, especially those faced by hard-to-recruit locations;

- Guiding the development of attraction, retention and workforce development strategies and action plans, as well as auditing and identifying gaps in existing strategies; and
- Assisting with developing a strategy and action plan to effectively attract, recruit and integrate employees from under-represented pools of labour- women, immigrants, youth and Aboriginals Peoples.

The Petroleum HR Council will be engaging consultants to conduct pilots within two sites with the intent of determining whether the above uses of the ‘toolkit’ are effective and of value to organizations. Other objectives of the pilot project include:

To evaluate the application and utility of the model, two distinct “pilots” will be implemented with two sites—each at a different stage in their business lifecycle. Each pilot will test a key model use or application. The key applications have been chosen due to their transferability across the industry and the country.

Pilots will target small – medium sized companies because they typically have limited HR expertise. Large companies will also be included because of their significant investment in the industry, their ability to influence the companies they contract with, as well as their impact on the overall image of the industry.

The pilots will focus on hard-to-recruit locations currently experiencing labour supply/demand imbalances. Success indicators will be developed for each pilot in collaboration with the pilot company so that a thorough evaluation can be conducted. Success indicators will be both qualitative (e.g.: HR personnel and operations managers are more knowledgeable and prepared to address human resources issues in a strategic way) and quantitative (e.g.: pilot company experiences an increase in local hires, decrease in turnover rates, shorter recruit times, number of partnerships established with labour supply sources, etc.).

The implementation of each pilot will adhere to some key operating principles. The project methodology has been designed to reflect those operating principles and include:

1. ***Building the capacity of industry employees to better address company- and industry-wide attraction, retention and workforce development issues.*** Specialized project consultants will work with an established group from the pilot organization. Each group will receive training and skill development in “real time” as they apply the model for their specific workplace need(s). The work plan for each pilot will incorporate internal communication activities designed to enhance the understanding of attraction, retention and workforce development amongst each pilot company’s employees.

2. **The facilitation of collaborative partnerships.** Each pilot will result in the identification of community specific partnerships or relationships that are important to effectively address attraction, retention and workforce development issues.
3. **Building on proven practices.** The Petroleum HR Council has proactively gathered best practices, tools and resources, and promising practices related to attraction, retention, and workforce development. These, and other best practices and/or resources that offer labour or skill supply-related solutions identified through the pilot, will be used to benefit pilot organizations. As part of the plan to sustain the products and services developed during the pilots, a website will be developed so that the best practices, tools and resources that offer labour or skill supply-related solutions can be accessible to the Council's stakeholders.
4. **Change management practices will need to be utilized to realize the desired cultural change.** The Petroleum HR Council, with its expertise in human resources, is a change agent for the petroleum industry. The implementation process developed for the pilots will incorporate change management principles and practices to support the pilot company's adoption of innovative human resources strategy and practices.
5. **Ongoing monitoring and evaluation to ensure success is being realized.** The Petroleum HR Council will utilize proven project management practices and processes and will involve project staff, project consultants, steering committee and pilot organizations to monitor and evaluate throughout the project to ensure "success" as defined by predetermined success indicators is being met. Learning's from the pilots will be applied to finalizing the model and developing the business plan to ensure the ongoing availability and accessibility of the model.

KEY EXPECTED OUTCOMES

By the end of this project, the following outcomes are expected:

- An improvement in the industry's ability to balance occupational supply/demand gaps and, in particular, hard-to-recruit locations;
- the creation of collaborative partnerships between industry, education and other organizations to effectively address attraction, retention and workforce development issues;
- an increase in the industry's skills and capacity to develop HR strategy that aligns with business strategy;
- enhancement of the industry's reputation as a sector with creative and innovative HR practices; and
- Enhancement of the industry's productivity by creating a culture that retains and engages employees.