

Media Release

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Survey reveals future skills issues for the energy industry

A recent survey conducted by the Energy Institute (EI), Norman Broadbent and Deloitte has revealed potential skills shortages to the energy industry in the next decade.

With the recent decline in the birth rate of western nations and the large scale downsizing and lack of recruitment in the sector since the 1980s, the energy industry now finds itself with an ageing workforce rapidly approaching retirement. The purpose of this research was to establish the scope of the problem and the level of awareness amongst energy companies.

The research was targeted at 300 energy organisations, 2,400 individuals employed in the energy industry and HR personnel from EI partner organisations and other company contacts.

The key findings of this research show:

- 70% of respondents believe that the industry would not have sufficient leadership talent to meet the challenges ahead
- a steadily decreasing pool of new entrants to the labour market
- an accompanying decline in the scientific, engineering and technical (SET) skills of these new entrants
- increasing competition from other industries for these shortage skills
- decreasing numbers of SET graduates choosing to enter a SET career
- rapid strides towards large scale retirement year on year
- lack of experienced hires for key roles in an expanding industry

The majority of companies responding to this survey have seen substantial growth in staff size. However, they have also reported that a wide variety of skills are in short supply. Interestingly, this is in contrast to the HR personnel surveyed, some of whom were confident that such skills shortages did not exist within their own organisation.

One of the more promising findings of the survey is that almost 75% employed in energy have enjoyed their career and would recommend it to others.

Sarah Beacock, Professional Affairs Director, Energy Institute, says, 'To counteract the decline in relevant SET skills, the energy industry must broaden the scope and diversity of its workforce and sell energy and SET as a worthwhile and interesting career. Organisations should focus on stemming the outflow of retired employees whilst promoting training and development within the workforce.'

Ms Beacock continues, 'Support for universities from industry is also critical to help the development of potential future employees. The energy industry is an exciting career option for young people and offers some of the biggest technological challenges of the future. The industry needs to be well presented as a prime career choice requiring the combined efforts of the industry itself, universities and professional bodies such as the EI.'

The next stage of this research will consider how industry deals with the skills shortage in the next few years and will monitor the take up of energy related courses and the numbers of graduates entering the energy industry. In response to this, the EI is currently developing a web portal that will promote the industry as a career option to attract new entrants and encourage the take up of SET skills.

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Notes to editor: The Energy Institute (EI) is the leading chartered professional membership body, supporting individuals and organisations across the international energy industry. With a combined membership of almost 12,000 individuals and 300 company members, the EI provides an independent focal point for the energy community and a powerful voice to engage business and industry, government, academia and the public. The EI's purpose is to promote the safe, environmentally responsible and efficient supply and use of energy in all its forms and applications. In fulfilling its purpose the EI addresses the depth and breadth of the industry, from upstream and downstream hydrocarbons and other primary fuels and renewables, to power generation, transmission and distribution to sustainable development, demand side management and energy efficiency. For further information, please visit www.energyinst.org.uk