

News Release

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Report calls for energy skills issues to receive board level attention

The Energy Institute (EI) today announced the publication of a report that calls for future skills shortages and leadership development needs in the energy sector to be treated as strategic boardroom issues. This was one of the key recommendations drawn from surveys conducted by the EI in partnership with Deloitte, the leading management consultancy, and Norman Broadbent, an organisation dedicated to the search for executive talent in the energy sector, between 2005 and 2007.

A summary of the “Skills needs in the energy industry” report was presented at International Petroleum Week, an annual four-day programme of major conferences and functions hosted in London by the EI. For the first time, IP Week featured a seminar specifically dedicated to the issue of skills needs in the energy industry, during which delegates from 12 different oil and gas producing countries heard experts outline additional solutions. For some years, the sector has registered a steady decline in the number of new recruits, especially those with science, engineering and technical (SET) skills, whilst a large section of the workforce is rapidly approaching retirement. The EI, Deloitte and Norman Broadbent set out to examine the scale of the problem and surveyed both energy companies and individual employees to gauge how this could affect the industry and more importantly identify a way forward in responding to the challenge.

The surveys confirmed that, with 50% of the respondents expecting to leave the industry within the next decade - mostly through retirement - and the main skills shortage being for technical specialists, particularly engineers, the industry faces a serious challenge in attracting a new generation of people to deliver the energy policies and targets set out by governments, especially in the UK. In addition to raising the issue of recruitment and training to boardroom level, the report concludes that, with two thirds of the individuals polled declaring a high degree of job satisfaction, there is an urgent need for the industry to demonstrate that it is one of the most exciting and technologically advanced field to work in, and to develop strategies to manage retention of experience and transfer of knowledge across the workforce.

The research and subsequent report constitute the first phase of a wider project, the second part of which will focus on the supply side of the issue and survey universities, consultants and training providers. “The EI is keen to continue with this work of identifying skills issues and in particular to propose long-term solutions”, commented Sarah Beacock, EI’s Professional Affairs Director. “We will liaise with as many industry and academia partners as possible to put the resulting recommendations into effect.”

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For further information and to obtain a copy of the report, please contact:

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Notes to editor: With a combined membership of over 13,500 individuals and 300 companies across 100 countries, the Energy Institute (EI) is the leading chartered professional membership body for those working in energy. Providing an independent focal point and a powerful voice to engage business and industry, government, academia and the public, the EI promotes the safe, environmentally responsible and efficient supply and use of energy in all its forms and applications. In fulfilling this purpose the EI addresses the depth and breadth of energy and the energy system, 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. Offering learning and networking opportunities to support career development, the EI provides a home to all those working in energy, and a scientific and technical reservoir of knowledge for industry. For further information, please visit www.energyinst.org