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EXPLORING WORKFORCE PLANNING

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WORKFORCE PLANNING ENABLES HR AND OPERATIONS TO COLLABORATE ON KEY TALENT DECISIONS

6-18 months

Faster-development, shorter lead-time positions

- How will expected monthly volatility shape my decision to contract versus hire?
- Are we coordinating with talent acquisition in accordance with expected need-by date?

3-5 years

Higher-skill, longer lead-time positions

- What will my workforce trends look like in the next several years by role and BU?
- How can we accelerate time to competency?

Planning Horizon

KEY CONSIDERATIONS

Changing skillsets
(field work to remote operations)

Ability to source skills in the market
(lead time and cost)

Technology impact

Options for labor cost optimization
(strategic contract agreements vs. hire)

Corporate culture objectives

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THE BUSINESS CASE FOR WORKFORCE PLANNING HAS NEVER BEEN CLEARER

CHALLENGING ECONOMIC CLIMATE…

Activity volatility

Cost & margin pressure demands higher resource utilization

Drive business growth faster than headcount growth

…COMPOUNDED BY POTENTIAL TALENT SHORTAGES

…**Deficit of 12,500 to 25,000 key PTP roles** by 2025…

…**entirely new skillsets** will be needed….

... **layoffs, early retirement and hiring cuts** have eroded the demographics curve…

...only **2% of US college grads** consider O&G their industry of choice…

Source: Accenture Strategy

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STARTING A WORKFORCE PLANNING INITIATIVE DOES NOT REQUIRE MATERIAL INVESTMENT

BASIC REQUIREMENTS

SUPPLY

- Headcount
- Demographics
- Job Families / Hierarchies

Who can be classified as a "talent pool" for a given activity?

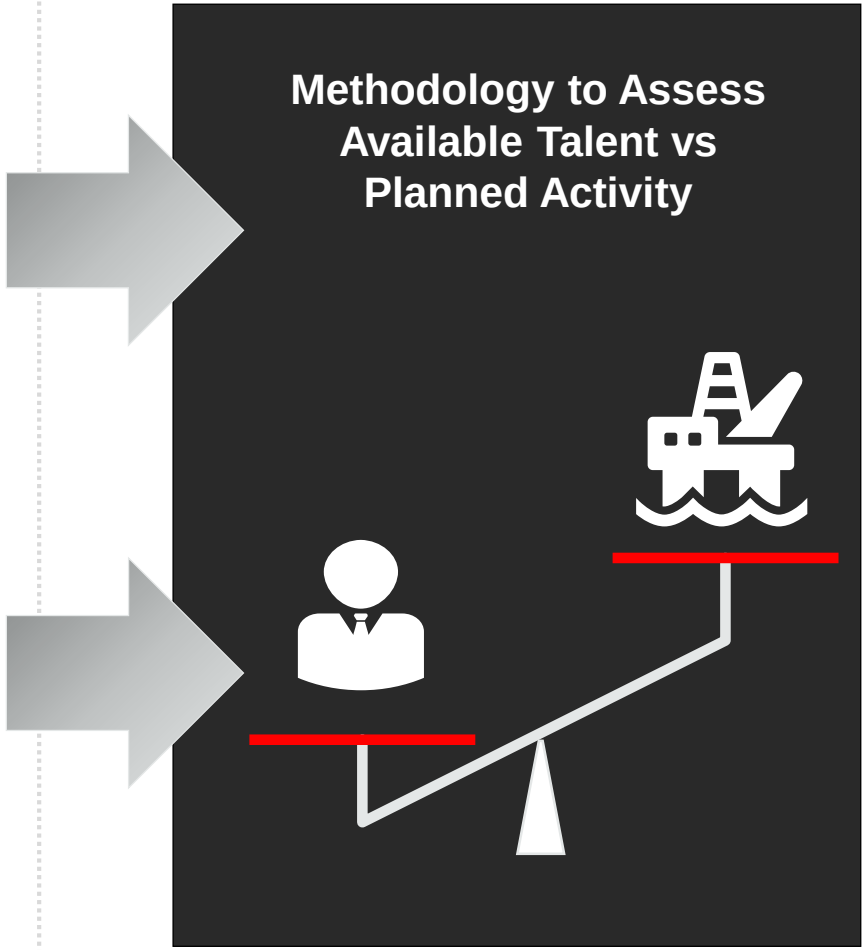
DEMAND

- Activity drivers
- Activity ratios by job family
- Forecasts

What is a forecastable driver of each "talent pool's" activity? What do the forecasts looks like?

ADDITIONAL CONSIDERATIONS

- Recruiting plan
- Optimal bench size
- Staffing mix (Junior vs Senior)
- Availability, Retirement, Attrition
- Contract labor



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MULTIPLE TOOLS ARE AVAILABLE TO INDUSTRIALIZE WORKFORCE PLANNING

	Desktop Analytics	On-Premise Applications	Cloud Applications
	Analytic tools run by individual users utilizing system data	Industrialized model within in-house server applications	Industrialized model utilizing external applications and servers
	Excel, tableau	DYNAPLAN, ORCAEYES	OptForce, ClickSoftware (Making Service Click)
+	▪ Customized model ▪ Low cost of deployment	▪ Collaborative planning capability in server applications ▪ Single version of truth and accuracy of information	▪ Collaborative planning capabilities ▪ Best-in-class security ▪ Limited or no cost in build phase ▪ No need for dedicated tech infrastructure
−	▪ Prone to breakages ▪ Lack of collaborative planning capabilities ▪ Challenges to data security	▪ Potentially costly in build phase ▪ Require dedicated tech infrastructure ▪ Lack cross-industry best practices for headcount modeling	▪ Require organizational readiness to adopt cloud solutions ▪ Data residency

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DESPITE TECHNOLOGY ENABLERS, THERE ARE SEVERAL OBSTACLES ORGANIZATIONS MUST OVERCOME

Typical workforce planning challenges & roadblocks:

- Activity forecast reliability
- Scattered, inconsistent data
- Degree of precision
- Consensus across business units
- Trust & relationship between HR & Operations
- Agreement on scope & focus areas

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COMPANIES CAN TAKE SEVERAL NEAR-TERM ACTIONS TO CREATE A WORKFORCE PLANNING CAPABILITY

Agree on Business Needs

- Roles, business lines, activities in scope
- Output required
- Trade-off between precision and accuracy

Understand Supply

- Define job families and understand demographics
- Assess current productivity & utilization
- Link roles to forecastable activity drivers

Estimate Demand

- Create standard forecasts at required level of granularity
- Ensure forecast visibility and availability
- Assess forecast accuracy and enhancement opportunities

Address Gaps

- Create forum & cadence for HR & Ops to collaborate on people planning
- Discuss impact of future ways of working
- Make HR a strategic partner in the Ops Planning process

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- ~400,000 employees
- **Global Operations**
  - **5 core business lines**

SITUATION & RESULTS:

- Experiencing business risk due to attrition and aggressive recruiting targets
- Conducted analysis on Human Capital Strategy, workforce plan and talent supply
- 10% reduction in regional attrition, increase in number of candidates from wider range of sources
- 6% increase in candidates reaching ‘Potential Candidate Pool’
- Enhanced market perception with 5% increase in Accenture as ‘People orientated’ organization metric

US INDEPENDENT OPERATOR

- ~4,000 employees
  - No formal workforce planning in place

SITUATION & RESULTS:

- Strategy development for right size and skills in future, dynamic operating environment
- Created a desktop analytics solution and proposed a methodology for workforce data and activity standards
- Leveraged model for new basin entry workforce staffing analysis
- Tool identified potential 30% over/understaffing in key roles across fastest growing assets

THANK YOU