



25th world gas conference
"Gas: Sustaining Future Global Growth"

Human Capital Development in a Period of Rapid Industry Growth: The case of Trinidad and Tobago 1992-2008

Gregory McGuire,
Senior Manager, Office of Strategy Management,
National Gas Company of Trinidad and Tobago Limited
5th June 2012
Venue:



Patron



Host



Host Sponsor



Republic of Trinidad & Tobago

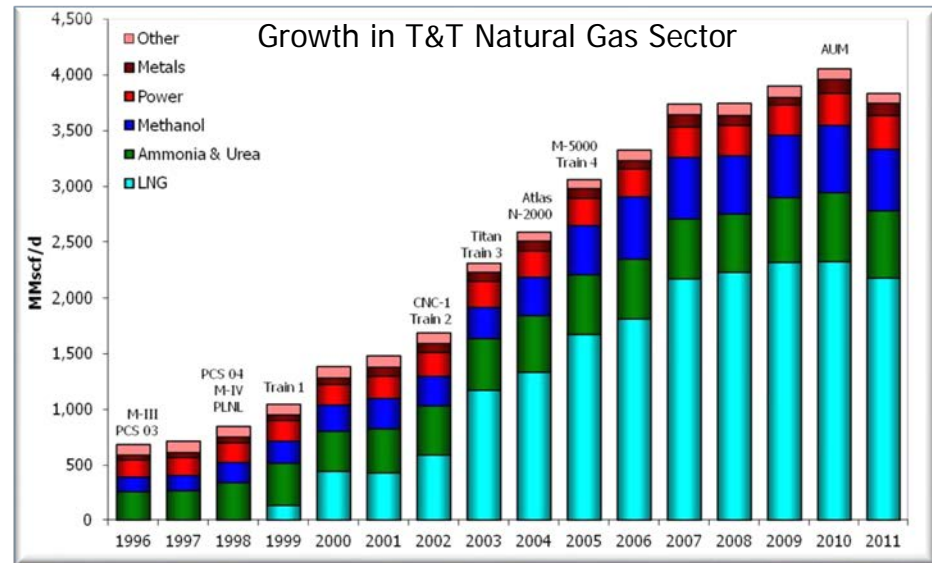


Demographics

- Twin island state 5,128 km² (1,980 mi²)
- Population 1.3 million
- Official language - English
- Per Capita GDP (2010): US\$17,500
- Currency – managed float against USD. 1 USD = 6.3TT\$

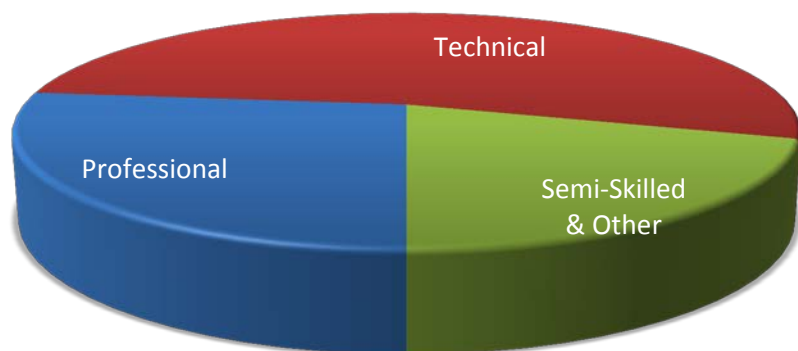
Energy Sector

- 0.2% World proven gas reserves
- 1.3% global natural gas production
- 6.8% global LNG trade in 2010
- Ammonia: #1 exporter in 2011 – 5.26 Million mtpa
- Methanol: #1 exporter in 2011 – 4.95 Million mtpa
- Sector accounts for 43.9% GDP

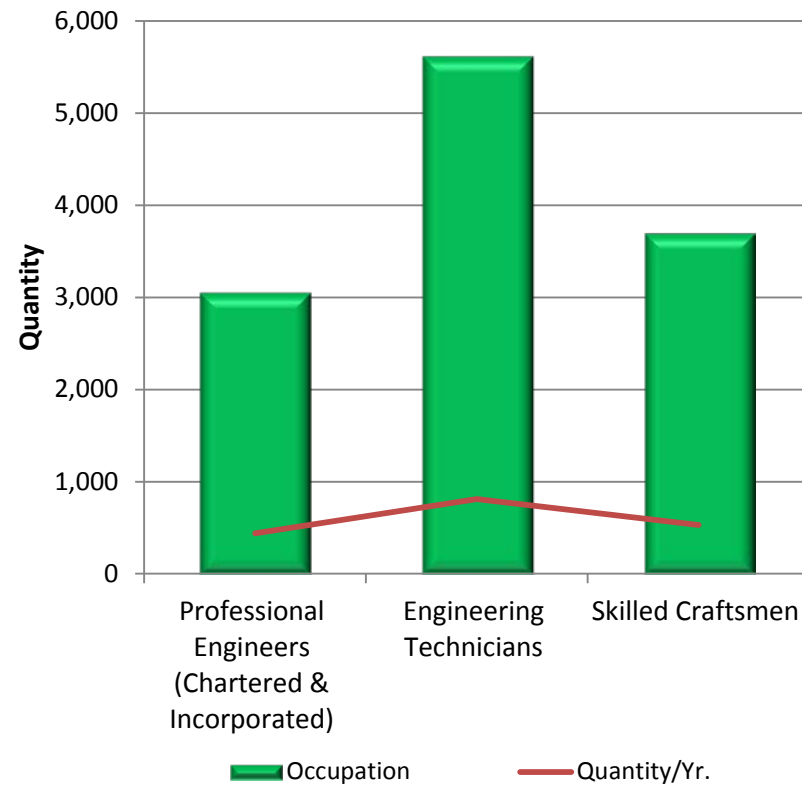


Human Capital Demand in the Energy Sector

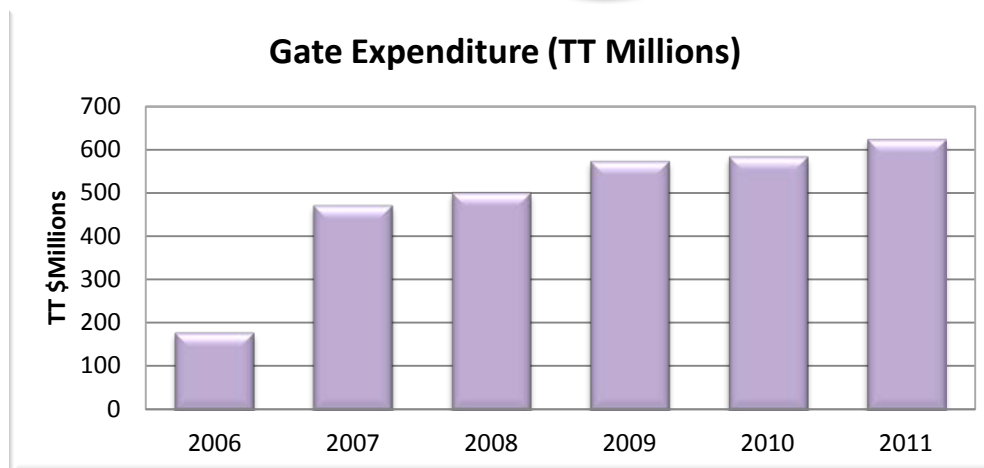
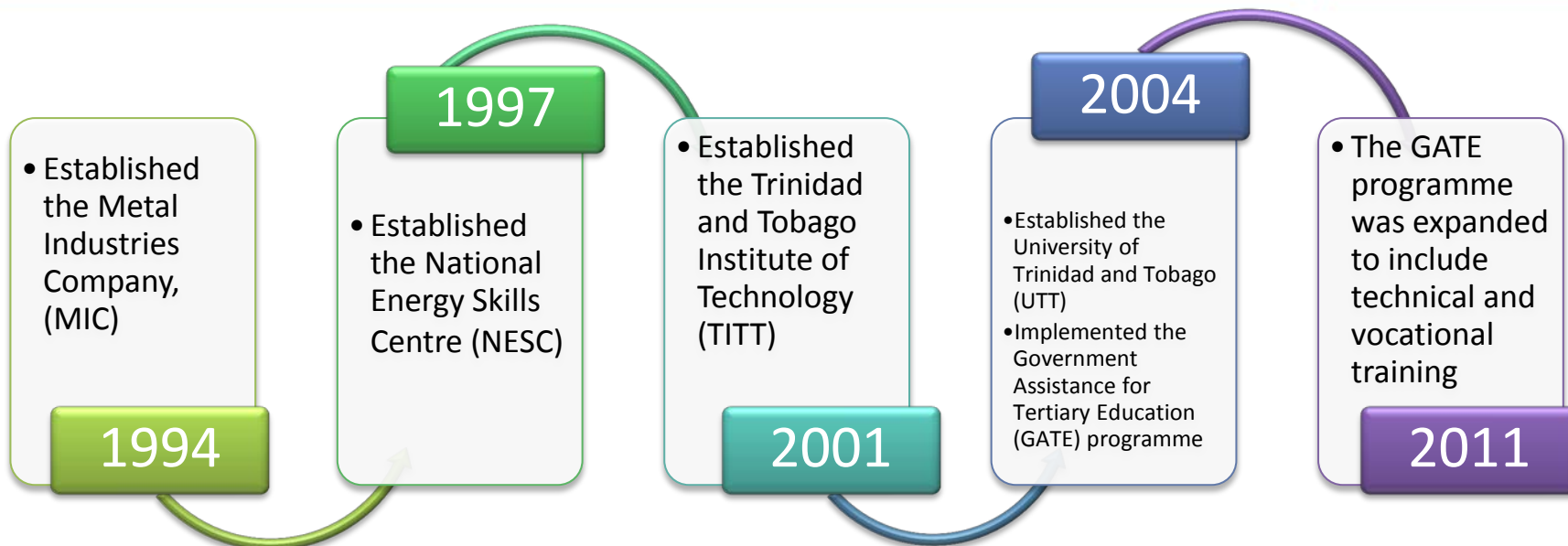
Employment in Energy Process Industries



Manpower Requirements for 2002-2009



Human Capital Supply: The Role of the State



The University of the West Indies (UWI)

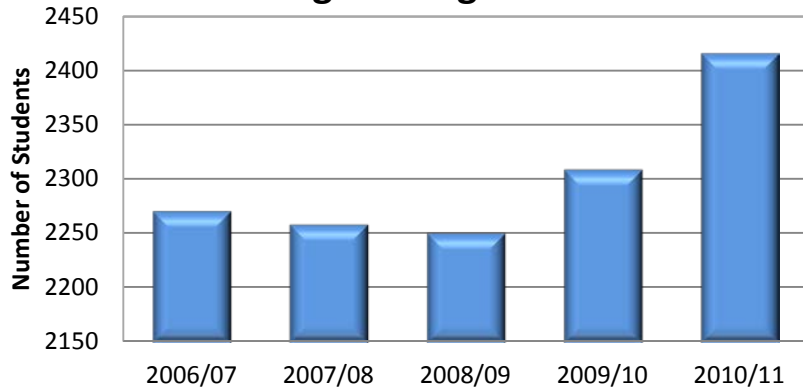
- Diploma in Petroleum Engineering introduced in 1976, later converted to BSc.
- BSc in Petroleum Geosciences launched in 2001, through a collaborative effort with BPTT
- Graduates from all engineering disciplines are absorbed in the industry
 - 41% of BGTT staff are UWI graduates, with 77% being engineers
 - Of the 51 engineers currently part of BG's staff, Mechanical Engineers make up 35%, Chemical 35% and Electrical Engineers 25%

The University of Trinidad and Tobago (UTT)

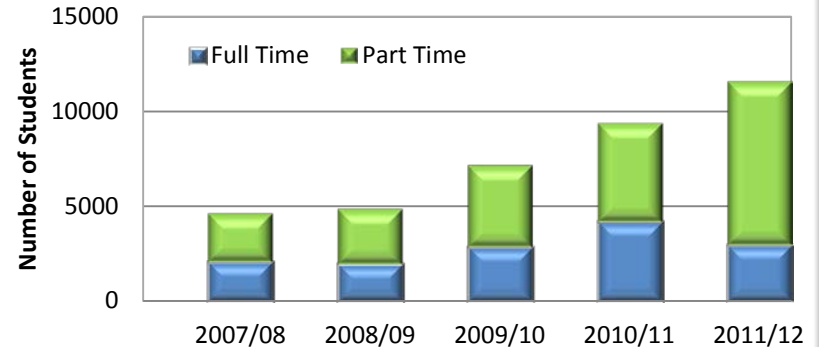
- UTT initially focused on programmes in engineering and technology
- UTT was designed by the State to form stronger relationship with its sponsors within the energy corporations
- UTT has expanded the opportunities for university education and has filled a void in the provision of science and technology training at the tertiary level
- UTT's student enrolment has increased by 400% from 2005 -2011. The current student enrolment is around 6500 students

Human Capital Growth: Institutional Growth

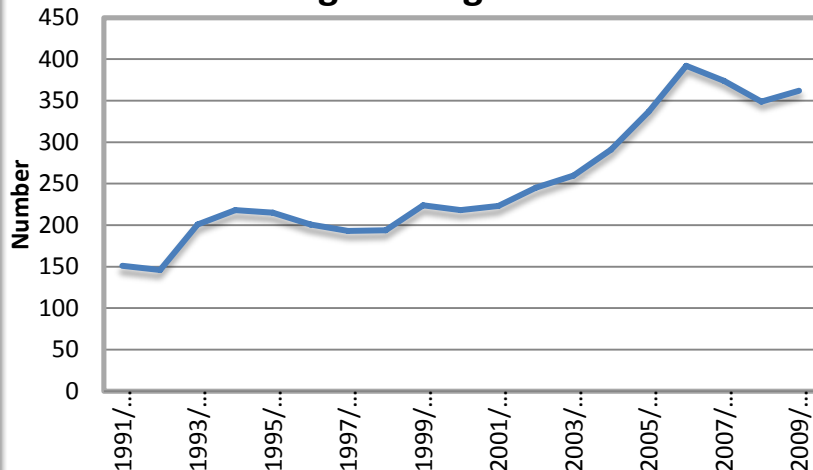
UWI Engineering Enrollment



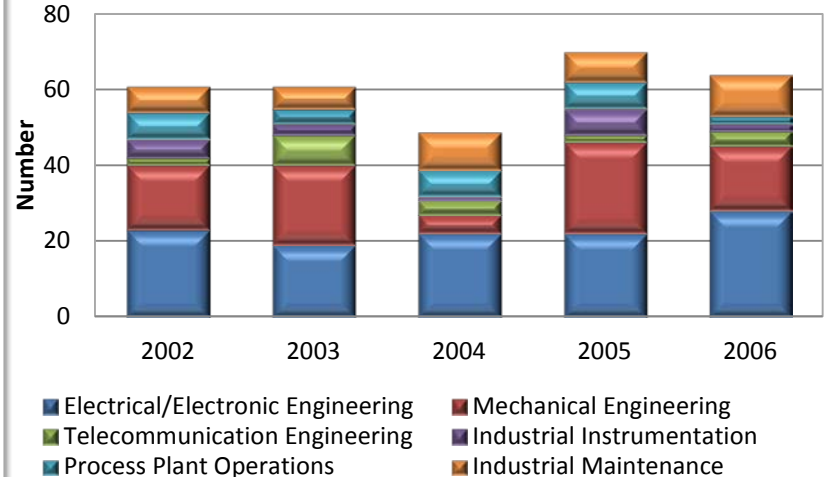
COSTATT Student Enrollment



UWI Engineering Graduates



Graduates from Technical Institutions



Human Retention Strategies in the Natural Gas Industry

Competitive Base Salary

- Keep on par with the competition.

Enhanced Fringe Benefits

- Popular benefits include housing allowance; group life and health insurance; employee savings plan

Work Life Balance

- Greater flexibility in their working hours

Career Development

- Emphasis placed on career development and Graduate Trainee Programmes

The Case of The National Gas Company of Trinidad and Tobago Ltd (NGC)

History

- Created in 1975
- 100% state owned
- Represented state as investor in gas based industries
- Enabled development of the natural gas industry by providing guaranteed market for upstream and secure supply for downstream

Core Business

- Natural Gas Purchase and Sale
- Natural gas Transportation and Distribution
- Low pressure gas compression

Diversified Energy Company

- NGL processing
- LNG production
- Port Infrastructure and development
- Industrial Estate development
- Upstream oil E&P

NGC: Challenges Faced in the Market for Skilled Human Resources

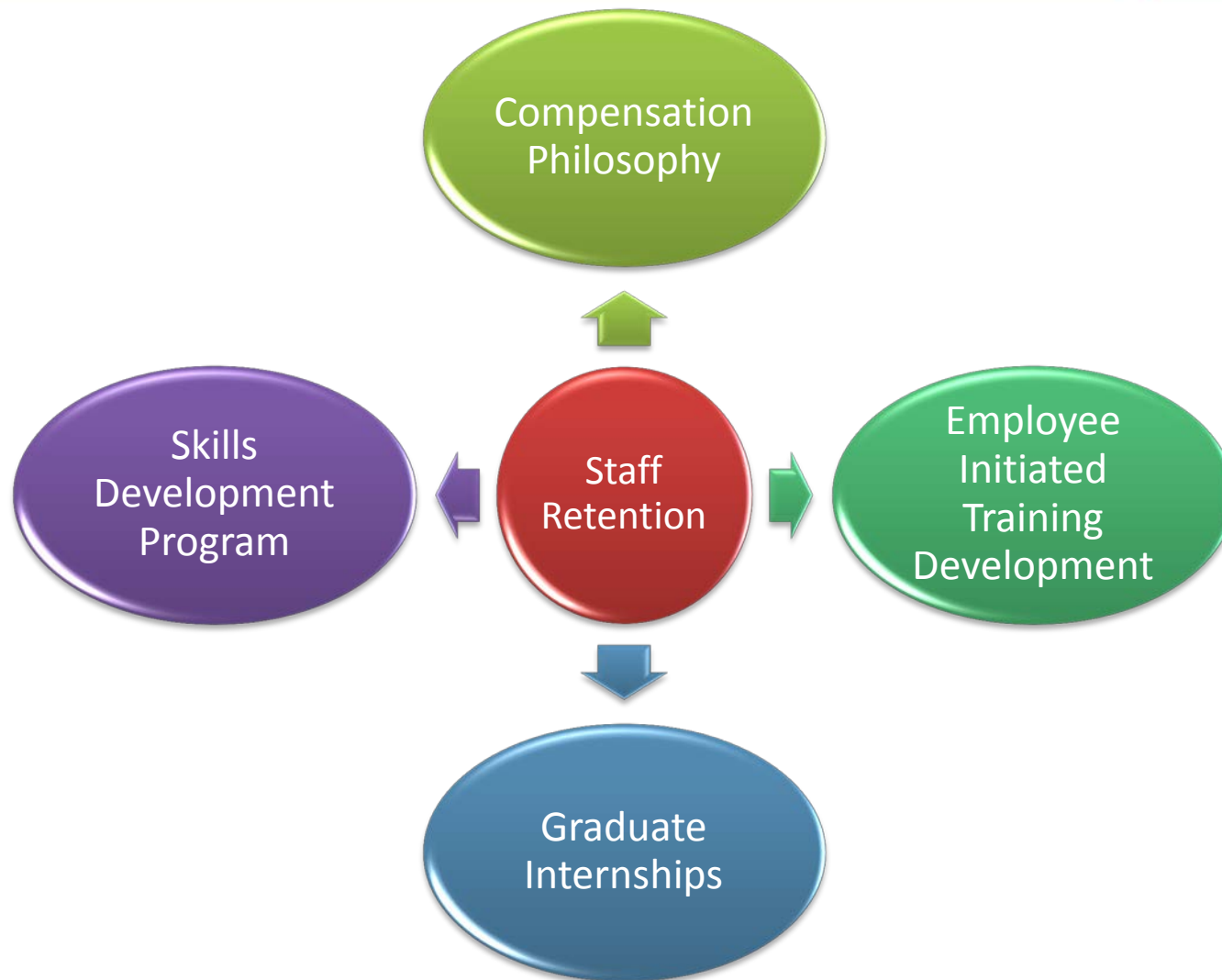
Salaries are determined by the Central Government as NGC is viewed as part of the public sector

NGC's compensation is less competitive – Government remuneration regulatory control

Nationals are attracted to or poached by competing multinational firms

NGC is still locally based – no opportunity for external posting and cross company career growth is limited

NGC: Strategies for Staff Retention



Summary

Trinidad and Tobago's natural gas sector experienced 11.5 per cent per annum industry growth over the period 1992 to 2010

Additional resources estimated at around 5,000 persons were required at the professional and technician levels

The industry coped exceptionally well during the period of rapid expansion

Lessons Learnt: Key Success Factors

Close collaboration between the Government and the industry in forecasting and provisioning for meeting the requirements of the industry

Conscious decisions by Government to advance education opportunities by dedicating at least 15 per cent of its capital and current spend to Education

Company support and substantial sponsorship of industry specific training programmes

Companies use of graduate internship programmes to capture and nurture young talent

The use of various compensation incentives to retain staff in core mission critical positions and ward off competition