




Retaining Your Skilled Workforce
THE UK OIL & GAS INDUSTRY (UKCS)
September 2013

ten live

PROVIDING PEOPLE POWER



STRATEGY MANAGEMENT
TALENT MANAGEMENT
CONTRACT MANAGEMENT*



Engage®

We recruit the best people for you

- We create a bespoke strategy to resolve your skills shortages
- We ensure we attract & place the right candidates with the right skills who identify with your company's vision & goals AND at the same time, ensuring we maximise profitability for your business

We help you retain your staff

- Post placement our Engage® programme provides you with an ISO 9001:2008 accredited framework to aid staff retention within your organisation
- Client staff retention is a key Quality Management performance area for Ten Live, integral to our mission of achieving quality excellence of client service

* Appendix 1 – Our Method, Strategy Management, Talent Management, Talent Management

How are Ten Live different to other UK Oil & Gas Recruitment Companies?

We really are different. Unlike many other UK Oil & Gas recruitment providers we are not just passionate about the recruitment process itself i.e. about simply sourcing and engaging the best people to fit your requirements. Post engagement we will continue to work with our clients to devise and implement strategies to retain your best employees.

We really do care what happens to new employees post placement. Not only do we continue to ensure your new employees settle well, but we also continue to support, motivate and provide training updates to your new employees post engagement - **retention is all part of the excellent package that Ten Live provides to you.**

Examples of the types of services we provide our Oil & Gas clients through our client staff retention programme, **Engage®**;

- Regular telephone & e-mail follow-up contact with new employees post-engagement
- On-site employee workshops & conferences on new legislation/compliance updates
- Ongoing employee coaching & training
- Ongoing relocation assistance & support

- Visa management
- Contractor management services incl. payroll services
- Whitepapers on recruitment & retention
- Employee surveys
- Client retention strategy development

Retention is one of THE major current issues in the UKCS employment space;

“...competition for experienced personnel remains a challenge....**you should know and maintain your employees** focus on training & development programmes” Mark Burns, CEO Ensc0

“..UK platform drilling is perceived as a declining industry.....experienced personnel are moving to international operations....**you need to attract and retain your people** with a mind to remaining in the North Sea...” Gavin Sutherland, UK Country Manager, KCA Deutag

“...it’s not just about attracting them, but **when you have good people it’s about keeping them....**” Peter Jones, MD Taqa

(Keynote sessions, Offshore Europe 2013)

How will you keep your talent ? - Salary

UKCS Salaries – 2013

Salary still remains a major factor in the UKCS recruitment and retention process. With UKCS salary salaries well above the UK average of £35k (1), the current average UKCS is £64k (2);

Average UKCS salaries 2013, Extract (See Appendix 2 for full table)

No. Years Experience	2013		2013
	1-5 years	5 years+ (Senior)	5 years+ (Lead/principal/director)
Commercial manager (Average Salary)	£ 41667	£79,163	£104,615
Commercial manager (Range)	£28,000-65,000	£45,000-165,000	£65000-175,000
Operations manager (Average Salary)	£43,521	£84,655	
Operations manager (Range)	£30,000-70,000	£65000-175,000	
Business development manager (Average Salary)	£35,855	£60,000	£80,833
Business development manager (Range)	£25,000-50,000	£45,000-70,000	£50,000-150,000
Mechanical engineer (Average Salary)	£36,735	£69,568	£85,287
Mechanical engineer (Range)	£30,000-60,000	£50,000-99,000	£66,000-132,000
Estimator/cost engineer (Average Salary)	£37,855	£87,136	£91,691
Estimator/cost engineer (Range)	£32,000-88,000	£40,000-143,000	£60,000-154,000
Electrical engineer (Average Salary)	£36,411	£72,337	£96654
Electrical engineer (Range)	£30,000-51,000	£53,000-91,000	£65,000-143,000
Design engineer (Average Salary)	£35,597	£65,169	
Design engineer (Range)	£28,000-50,000	£45,000-110,000	
Structural engineer (Average Salary)	£34,958	£81,279	£102670
Structural engineer (Range)	£24,000-50,000	£50,000-124,000	£60,000-160,000
Drilling engineer (Average Salary)	£48,202	£88,843	£136,109
Drilling engineer (Range)	£30,000-100,000	£57000-168000	£75,000-224,000

UKCS Salary forecasts – 2014/2015

An average salary increase of 8.5% in the UK Oil & Gas industry in 2013 was in line with average salary increases for the UK in 2013 in general [A general UK employee survey showed 60% of people received a salary increase of more than 5% and 1 in 4 were awarded more than 10%] (3)

However, with increasing global competition for skilled workers and record levels of investment in the UKCS forecast for 2014 (4) the shortages of skilled workers is set to increase and competition for talent will become even more intense. The industry predicts **average UKCS salaries will rise by 15% in 2014** (5) increasing the average UKCS salary to £74k and with similar rates of investment forecast for 2015 we anticipate **a similar average salary increase of 15% for 2015**;

Average UKCS salaries 2014 Forecast, Extract (See Appendix 3 for full table)

No. Years Experience	2014		2014
	1-5 years	5 years+ (Senior)	5 years+ (Lead/principal/director)
Commercial manager (Average Salary)	£47,917	£91,037	£138,353
Commercial manager (Range)	£32,200-74,500	£51,750-189,750	£74,500-201,250
Operations manager (Average Salary)	£50,049	£97,353	
Operations manager (Range)	£34,500-80,500	£74,750-201,250	
Business development manager (Average Salary)	£41,233	£69,000	£92,958
Business development manager (Range)	£28,750-£57,500	£51,750-80,500	£57,500-172,500
Mechanical engineer (Average Salary)	£42,245	£80,003	£98,080
Mechanical engineer (Range)	£34,500-69,000	£57,500-113,850	£75,900-151,800
Estimator/cost engineer (Average Salary)	£43,533	£100,206	£105,445
Estimator/cost engineer (Range)	£36,800-101,200	£46,000-164,450	£69,000-177,100
Electrical engineer (Average Salary)	£41,873	£83,188	£111,152
Electrical engineer (Range)	£34,500-58,650	£60,950-104,650	£74,500-164,450
Design engineer (Average Salary)	£40,937	£74,944	
Design engineer (Range)	£32,200-57,500	£51,750-126,600	
Structural engineer (Average Salary)	£40,202	£93,471	£118,071
Structural engineer (Range)	£27,600-57,500	£57,500-142,600	£69,000-184,000
Drilling engineer (Average Salary)	£55,432	£102,169	£156,525
Drilling engineer (Range)	£34,500-115,000	£65,550-193,200	£86,250-257,600

Note: Average UKCS salaries increased by 8.5% in 2012 and 6% in 2011 (6)

(1, 3) Salary & Benefits Survey 2013, REC (Recruitment & Employment Confederation)

(2, 5, 6) 'Skills shortages fuel UK oil and gas wage surge', FT, 8 September 2013

(4) Ten Live UKCS Skills Shortages & Solutions whitepaper August 2013

How will you keep your talent ? – Retention strategies other than salary

Salary will be an extremely important retention tool in the UK Oil & Gas industry, but **salary alone will not be enough to halt the talent flight.**

Losing your key staff in today's global Oil & Gas employment marketplace is an expense you can ill-afford – it can cost you as much as 12-18months salary to replace and employee (2).

In light of increased [global] competition for key skills and rising salaries, retaining your existing trained workforce must become your priority to give you competitive advantage over your competitors;

"..attracting and retaining top quality staff remains a key priority for every business....we are returning to a competitive employment environment where additional employment benefits make the difference between our ability to recruit and retain the staff who will drive our business forward and them joining the competition (1)."

Read our whitepaper outlining **6 Key techniques to aid staff retention.**

You need to start thinking NOW about how to secure longer-term commitment from your skilled workforce.

Our Engage© programme provides you with the framework to secure that commitment ;

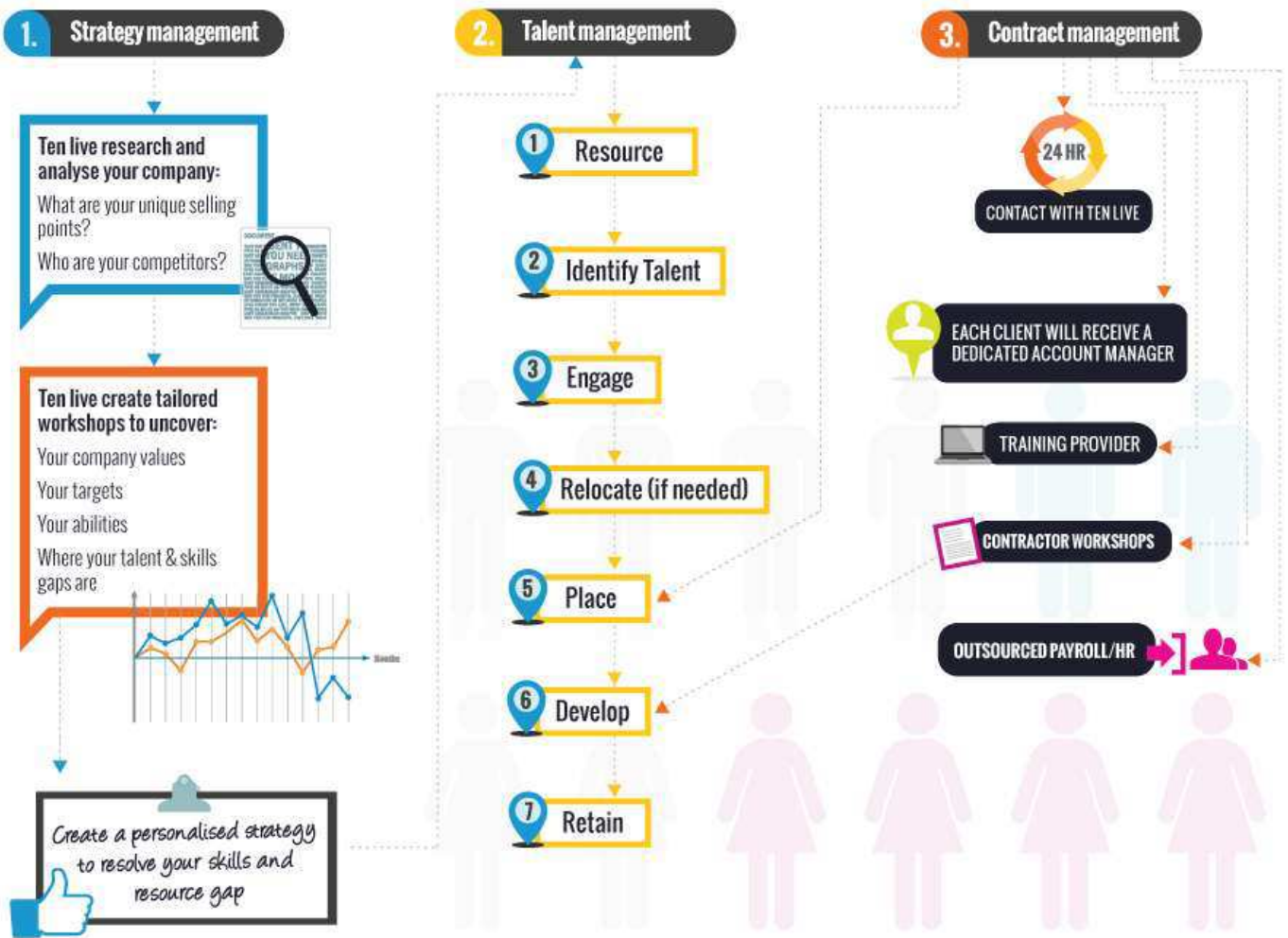


Ten Live will work in partnership with you to help you to;

- Source the right people for your business
- Understand the factors that drive your employees' commitment to staying with your organisation and to find practical solutions on how to address these factors

(1,2) Salary & Benefits Survey 2013, REC (Recruitment & Employment Confederation)

Appendix 1 –Ten Live Recruitment Process



Appendix 2 – Average UKCS Salaries 2013

No. Years Experience	2013	2013	2013
	1-5 years	5 years+ (Senior)	5 years+ (Lead/principal/director)
Commercial manager (Average Salary)	£ 41667	£79,163	£104,615
Commercial manager (Range)	£28,000-65,000	£45,000-165,000	£65000-175,000
Operations manager (Average Salary)	£43,521	£84,655	
Operations manager (Range)	£30,000-70,000	£65000-175,000	
Business development manager (Average Salary)	£35,855	£60,000	£80,833
Business development manager (Range)	£25,000-50,000	£45,000-70,000	£50,000-150,000
Mechanical engineer (Average Salary)	£36,735	£69,568	£85,287
Mechanical engineer (Range)	£30,000-60,000	£50,000-99,000	£66,000-132,000
Estimator/cost engineer (Average Salary)	£37,855	£87,136	£91,691
Estimator/cost engineer (Range)	£32,000-88,000	£40,000-143,000	£60,000-154,000
Electrical engineer (Average Salary)	£36,411	£72,337	£96654
Electrical engineer (Range)	£30,000-51,000	£53,000-91,000	£65,000-143,000
Design engineer (Average Salary)	£35,597	£65,169	
Design engineer (Range)	£28,000-50,000	£45,000-110,000	
Structural engineer (Average Salary)	£34,958	£81,279	£102670
Structural engineer (Range)	£24,000-50,000	£50,000-124,000	£60,000-160,000
Drilling engineer (Average Salary)	£48,202	£88,843	£136,109
Drilling engineer (Range)	£30,000-100,000	£57000-168000	£75,000-224,000
Maintenance engineer (Average Salary)	£30459	£70,000	£89,000
Maintenance engineer (Range)	£27,000-50,000	£50,000-110,000	£88,000-90,000
Construction (Average Salary)	£41,091	£87,577	£101,476
Construction (Range)	£27,000-100,000	£60,000-140,000	£60,000-176,000
Offshore Installation manager (Average Salary)	na	£120,750	
Offshore Installation manager (Range)	na	£90,000-198,000	
Rig manager (Average Salary)	na	£100,000	
Rig manager (Range)	na	£90,000-143,000	
Project manager (Average Salary)	£40,412	£82,857	
Project manager (Range)	£35,000-66,000	£50,000-165,000	
Logistics/Procurement manager (Average Salary)	£54,333	£88,664	
Logistics/Procurement manager (Range)	£50,000-61,000	£40,000-168,000	
Commissioning engineer (Average Salary)	£51,233	£78,520	£94,862
Commissioning engineer (Range)	£25,000-100,000	£35,000-165,000	£74,000-132,000
Piping (Average Salary)	£41,810	£74,111	£92150
Piping (Range)	£25000-66000	£63,000-116,000	£65000-132000
Subsea manager (Average Salary)	£53,000	£114500	£146,667
Subsea manager (Range)	£45,000-70,000	£60,000-176,000	£132,000-160,000
HSE manager (Average Salary)	£49,405	£80,752	
HSE manager (Range)	£23,000-121,000	£70,000-132,000	
Toolpusher (Average Salary)	na	£82,000	£136167
Toolpusher (Range)	na	£85,000-99000	£100,000-187,000

Source : Ten Live analysis 2013 UKCS salaries, Sept 2013

Appendix 3 – Forecast Average UKCS Salaries 2014

No. Years Experience	2014		2014
	1-5 years	5 years+ (Senior)	5 years+ (Lead/principal/director)
Commercial manager (Average Salary)	£47,917	£91,037	£138,353
Commercial manager (Range)	£32,200-74,500	£51,750-189,750	£74,500-201,250
Operations manager (Average Salary)	£50,049	£97,353	
Operations manager (Range)	£34,500-80,500	£74,750-201,250	
Business development manager (Average Salary)	£41,233	£69,000	£92,958
Business development manager (Range)	£28,750-£57,500	£51,750-80,500	£57,500-172,500
Mechanical engineer (Average Salary)	£42,245	£80,003	£98,080
Mechanical engineer (Range)	£34,500-69,000	£57,500-113,850	£75,900-151,800
Estimator/cost engineer (Average Salary)	£43,533	£100,206	£105,445
Estimator/cost engineer (Range)	£36,800-101,200	£46,000-164,450	£69,000-177,100
Electrical engineer (Average Salary)	£41,873	£83,188	£111,152
Electrical engineer (Range)	£34,500-58,650	£60,950-104,650	£74,500-164,450
Design engineer (Average Salary)	£40,937	£74,944	
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Structural engineer (Average Salary)	£40,202	£93,471	£118,071
Structural engineer (Range)	£27,600-57,500	£57,500-142,600	£69,000-184,000
Drilling engineer (Average Salary)	£55,432	£102,169	£156,525
Drilling engineer (Range)	£34,500-115,000	£65,550-193,200	£86,250-257,600
Maintenance engineer (Average Salary)	£35,028	£80,500	£102,350
Maintenance engineer (Range)	£31,050-57,500	£57,500-126,500	£101,200-103,500
Construction (Average Salary)	£47,255	£100,714	£116,697
Construction (Range)	£31,050-£115,000	£69,000-161,000	£69,000-202,400
Offshore Installation manager (Average Salary)	na	£138,863	
Offshore Installation manager (Range)	na	£103,500-227,700	
Rig manager (Average Salary)	na	£115,000	
Rig manager (Range)	na	£103,500-164,450	
Project manager (Average Salary)	£46,474	£95,286	
Project manager (Range)	£40,250-75,900	£57,500-189,750	
Logistics/Procurement manager (Average Salary)	£62,483	£101,963	
Logistics/Procurement manager (Range)	£57,500-70,150	£46,000-193,200	
Commissioning engineer (Average Salary)	£58,918	£90,298	£109,091
Commissioning engineer (Range)	£28,750-115,000	£40,250-189,750	£85,100-151,800
Piping (Average Salary)	£48,082	£85,228	£105,973
Piping (Range)	£28,750-75,900	£72,500-133,400	£74,750-151,800
Subsea manager (Average Salary)	£60,950	£131,675	£168,667
Subsea manager (Range)	£51,750-80,500	£69,000-202,400	£151,800-184,000
HSE manager (Average Salary)	£56,816	£92,865	
HSE manager (Range)	£26,450-139,150	£80,500-151,800	
Toolpusher (Average Salary)	na	£94,300	£156,592
Toolpusher (Range)	na	£97,750-113,850	£115,000-215,050

Source : Ten Live forecast analysis 2014 UKCS salaries, Sept 2013

About Ten Live

Ten Live is an international recruitment and resource management company with over 60 years' combined experience in the recruitment sector, the expertise and the commitment to work together with the oil & gas industry in the UKCS to find the right recruitment and retention solutions to ensure success.

With our roots in Scotland, Ten Live operate across the United Kingdom, MENA, Asia Pacific, Africa, the USA and Australia.

Officially one of the Top 90 companies in Scotland.

We offer a range of specialist recruitment and resource management services in Energy, Telecoms and Logistics markets – not only recruiting but ensuring staff are fully trained prior to joining your organisation. Ten Live go above and beyond simply placing a candidate; we work continually with them, providing training to ensure they are offering you the best they can.

ten live have immediate access to a global pool of highly-skilled oil & gas personnel and personnel in a range of other sectors with the transferrable skills & experience which can be easily integrated into oil & gas.

Ten Live's unique TEN LIVE : ENGAGE program offers both employers and job seekers a high degree of certainty in sourcing the right person for the right role.

For the latest informative updates & insights on the Oil & Gas industry
follow Ten Live on Twitter and LinkedIn;

<https://twitter.com/tenlivegroup>

<http://www.linkedin.com/company/851190?trk=tyah&trkInfo=tas%3ATen%20Live%20G>

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