

Workforce: Strategic Planning Session May 20, 2015

Workshop Summary & Initiatives for INGAA Foundation Members

Workshop and Deliverables Prepared By: Interliance Consulting, Inc.

October 6, 2015 The INGAA Foundation, Inc.

Final Report No. 2015-03

Introduction

On May 20, 2015, The INGAA Foundation held a workforce development workshop in Houston, TX to discuss challenges and solutions to securing and maintaining an effective workforce in the natural gas transmission pipeline industry. Interliance Consulting, Inc. facilitated discussion and provided deliverables following the conclusion of the one-day workshop consisting of INGAA Foundation members.

The following document will serve as a summary of the workshop's discussion, list the challenges determined by the group, and outline potential solutions and next steps for the INGAA Foundation and member companies.

The Work Life-Cycle

The Work Life-Cycle is a visual representation of a company's timeline for their employees, from pre-hire training and education to separation and retirement. The chart below was a "thought starter" in order to identify known problems, issues and challenges in each phase of an employee's career.

The workshop was broken down into five main categories, called the Work Life-Cycle from which the discussion flowed.

The categories are listed below:

- 1. Pre-Hire Training and Education
- 2. Talent Acquisition and Recruitment
- 3. Orientation and Onboarding
- 4. Workforce Development
- 5. Separation and Retirement (including Retention)



The group brainstormed ideas and solutions based on a number of challenges that fit within the five categories listed above.

Problems, Issues, and Challenges

The following section will highlight each category from the Work Life-Cycle, the resulting problems or challenges, and the brainstormed ideas and solutions from the group for each problem or challenge.

Interliance Consulting, Inc. used multiple-choice voting to record the following problems and challenges representing the highest risk within the Workforce Life-Cycle.

Each problem or challenge has a timeframe of short-term, medium-term, or long-term intended to identify the length of time it will take to address each issue. The consensus on timeframes was determined based on the average response from each present attendee at the workshop.

The timeframes—short-term, medium-term, and long-term—are outlined below:

Short-term	2015
Medium-term	2016
Long-term	2017

1. Pre-Hire Training and Education

Problem #1: People are not aware of the industry (from a potential career standpoint)

Brainstormed Solutions:

- Engage youth at the grade school and high school level (long-term)
- Engage students at the university level (medium-term)
- Develop a comprehensive internship program (medium to long term)
- Better marketing of the industry—including social media (short-term)
- Educate the educators in the industry (medium-term)

Problem #2: People are not attracted to the industry for a career

Brainstormed Solutions:

 Better communicate job opportunities, the compensation packages available, and career longevity (medium-term) Problem #3: The specific challenge of attracting enough 'craft labor' into the industry

Brainstormed Solutions:

- Develop improved relationship program with vocational schools and high schools (medium to long term)
- Create comprehensive training programs for existing personnel
- Communicate labor needs across the industry (short to medium term)
- Explore untapped resources (military, high-unemployment states, etc.) (no time frame)

2. Talent Acquisition and Recruitment

Problem #1: It is difficult to provide an acceptable work-life balance

Brainstormed Solutions:

- Develop regional labor resources (long-term)
- Develop a structure for a rotational call-out program (no timeframe)
- Create a system to provide better transparency up-front on workforce expectations and realities (long-term)
- Develop a creative compensation that addresses field pay vs. office pay (mediumterm)
- Evaluate comp time structure (outside of normal PTO) less focus on "punch the clock" (medium to long term)
- Develop additional perks industry events and extracurricular activities (no time-frame)

Problem #2: Negative industry perception – The pipeline industry is unattractive to some

Brainstormed Solutions:

- Promote our "green approach" to the public (short to medium term)
- Educate the public on the role of natural gas pipelines in the electric power industry. (short to medium term)
- Promote career opportunities and the excellent pay (medium-term)

3. Orientation and Onboarding

Problem #1: Orientation and onboarding are not valued organizationally as key business requirements

Brainstormed Solutions:

- Allocate money (business expense) to show the importance of proper orientation and onboarding (medium-term)
- Communicate that this process adds value thru reduced turnover (medium-term)
- Develop and/or expand mentor programs (short-term)
- Look across industries to identify and implement onboarding best practices (medium-term)
- Develop formal orientation and onboarding program (supported by Senior Manager) (medium-term)
- Green Hard Hat/Mentoring (no time-frame)
- Have crews, not foremen, do job safety analyses (medium-term)

4. Workforce Development

Problem #1: In an industry that requires many specialized skills, it is difficult to move people across as needs change

Brainstormed Solutions:

- Develop an undergraduate rotational program (no timeframe)
- Connect employees to training opportunities to advance (medium-term)

Problem #2: The pipeline business model (hire at the time) doesn't support effective workforce development

Brainstormed Solutions:

- Develop a business case with ROI, stating that companies need to be more cognizant of the productivity and quality costs of this approach (short-term)
- Create a website that advertises the jobs available for pipeline workers (mediumterm)
- Operating companies can provide an incentive for contractors to develop workforce (medium to long term)
- Embrace "Free Agency" (medium-term)
- Design a system for career path management (medium-term)

5. Separation and Retirement (including Retention)

Problem #1: It is difficult to retain the current workforce, i.e. avoid losing them to competitors and other corporations

Brainstormed Solutions:

- Industry collaborative effort (long-term)
- Design a better benefits package (short to medium term)
- Design a system for career path management (medium-term)

Problem #2: The workforce is aging; many workers will be able to retire soon, and the industry has not addressed that sufficiently

Brainstormed Solutions:

- Hire young talent (short-term)
- Craft apprenticeship program (field supervision informal) (medium-term)
- Rehire consultants (no time-frame)
- Succession planning (medium-term)
- Promote from within (no time-frame)
- Include older/senior members of company in the interview process for greater acceptance of younger new-hires (short-term)

Solutions & Initiatives

The strategic solutions that were deemed most worthy of addressing were listed as high priority, medium priority, and lower priority.

Each solution has been categorized by the entity in charge of its implementation: a member company (C), The INGAA Foundation or industry (I), or through member company-industry cooperation (I/C).

Member Company	С
The INGAA Foundation/ Industry	I
Joint Company-Industry	I/C

Highest Priority Solutions

- Educate the public on the role of natural gas pipelines in the electric power industry.
 - I (short to medium term)
 - ✓ Given the public's lack of knowledge on natural gas pipelines, this solution was part of the broader idea of educating the public on the importance of natural gas pipelines and their role in America's energy through the INGAA Foundation in various forums.

The INGAA Foundation, Inc. Workforce Development Workshop Summary October 2015

- Better communicate job opportunities, the compensation package, and career longevity.
 - I/C (medium-term)
 - ✓ This solution was developed to address the problem of lacking industry attractiveness. In order to attract potential employees to the industry, member companies and the INGAA Foundation need to determine ways to highlight new job opportunities, the attractive levels of compensation tied to them, and the ability to stay in the industry for many years given the abundance of domestic natural gas and the infrastructure needed to transport it.
- Promote career opportunities and excellent pay
 - I/C (medium-term)
 - ✓ To solve the issue of industry unattractiveness and/or lack of public knowledge of the career opportunities, INGAA Foundation members decided that member companies and the industry as a whole through the INGAA Foundation should do a better job of promoting the careers in the industry. The industry has a good story to tell when it comes to career availability, pay, and longevity.
- Create a website that advertises the jobs available for pipeline workers
 - I (medium-term)
 - ✓ As part of the effort to promote the industry and become more transparent with the available opportunities, this solution determined that a website should be set up to list available jobs for current pipeline workers.

Medium Priority Solutions

- Better marketing of the industry (including social media)
 - I/C (short-term)
 - ✓ This solution sought to develop a better means of advertising the industry, especially to millennials, through social media and other progressive means in the short term.
- Design a better benefits package—compensation, vacation, environment
 - C (short to medium term)
 - ✓ This solution is based on the understanding that the new generation of workers requires effective benefits packages when choosing a company or industry.
- Develop improved relationship programs with vocational schools and high schools

The INGAA Foundation, Inc. Workforce Development Workshop Summary October 2015

- I/C (medium to long term)
 - ✓ This solution goes a step further than reaching out to college-aged students by expanding the outreach to high schools and vocational schools in 2016 and 2017.
- Operating companies can provide an incentive for contractors to develop workforce
 - I/C (medium to long term)
 - ✓ This solution hinges on the cooperation between operating companies and their contractors in order to expand the entire industry's workforce and specifically, filling contractor companies with good employees.
- Engage students at the university level
 - I/C (no timeframe)
 - ✓ This solution addresses the issue of unawareness and unattractiveness of the natural gas transmission pipeline industry by sharing the positive industry image to students at a college level.

Lower Priority Solutions

- Communicate labor needs across the industry
 - I/C (short to medium term)
 - ✓ This solution has to do with industry-wide information sharing in order to help the industry gather its labor needs.
- Promote our "green approach" to the public
 - I (short to medium term)
 - ✓ This solution was developed for the INGAA Foundation to share the good news about the industry's commitment to the environment to the public and the potential workforce.
- Educate the educators in the industry
 - I (medium-term)
 - ✓ In order to educate the new generation of workforce, the workshop attendees determined that the educators (professors, teachers, trainers, etc.) should be made aware of the natural gas transmission pipeline industry in order to spread the positive message that the industry has to offer.
- Connect employees to training opportunities to advance
 - I/C (medium-term)

The INGAA Foundation, Inc. Workforce Development Workshop Summary October 2015

- ✓ The industry and specific member companies need to establish paths for advancement for their employees, which will help retain workforce and encourage new applicants by showing the career opportunities available.
- Develop a comprehensive internship program
 - C (medium to long term)
 - ✓ This solution was developed through discussion of success stories with internship programs in specific INGAA Foundation member companies. The thought is that internship programs allow companies to develop and test talent while young people are gaining more of an understanding of what a career in the industry would entail.
- Engage youth at the grade school and high school level
 - I/C (long term)
 - ✓ This solution goes a step beyond reaching out to college or high school/ trade school graduates in order to develop positivity around the industry at a young age.

Next Steps

The INGAA Foundation and its membership should establish industry and company initiatives to share the positive story of the natural gas transmission pipeline industry.

High, medium and low priority solutions can be initiated and completed in their designated timeframes by the INGAA Foundation and its member companies, both individually and cooperatively.

Going forward, the industry will work to educate educators, college students, high school students and the general public to promote the industry and encourage a strong workforce for years to come.