

Energy Industry: The Great Crew Change

Danielle Wentz | Shale Plays Media | July 16, 2015



Over the past several months the energy industry, specifically the oil and gas sector, has been through a severe downturn. The slide in the industry crosses all platforms– from oil and gas prices to hitting all-time lows, companies cutting back or even closing down operations, to major slashes in budgets and thousands of people losing their jobs. The most dramatic of these is the number of jobs that have been cut in addition to the number of people the industry is going to lose over the next few years, also known as “The Great Crew Change.”

The Great Crew Change is the terminology used to describe the current condition of construction and extractive industries, including mining and oil and gas, skilled labor jobs. Right now, most of these industry occupations are filled by veteran workers who will be retiring very soon, which will leave hundreds of jobs unfilled. However, this is an opportunity for younger generations to step up and bring change to these industries, hence “The Great Crew Change.”

Elaine Cullen, MBA, PHD, CMSP and Target Logistics recently released a white paper explaining The Great Crew Change and what can be done to help ease the transition of the veteran workforce to the younger generations who will be much more diverse; the new group will differ in gender, national origin and, of course, age. Dr. Cullen’s white paper covers six main points regarding the change in industry workforce, summarized below.

The Problem

According to Dr. Cullen, there are four recognizable generations that currently make up energy industry jobs: The traditionals, The Baby Boomers, Generation X and Generation Y. Each of these generations obviously grew up in different times and lifestyles, which alters how each of them approach work. As reported by Dr. Cullen, "It is a natural assumption to believe that others know what we know or learn the way we learn. Neither of these is true, however. There is an Arab proverb that says, 'People resemble their times more than they resemble their parents.' The old ways of working with or training workers are simply not going to work for younger generations because of how these workers learn, understand information or relate to the world of work differently from their predecessors. For safety professionals, it is imperative that these differences be recognized in order for training to be effective."

Dr. Cullen references a 2007 AARP report that discusses three trends for shaping the work world. The increase of competition by companies for talent in addition to multiple generations occupying the workplace and productivity due to work environments all affect workplace culture. Because each generation thinks differently about these issues, it is clear that they will have issues understanding each other, listening and blending together as a team.

Education plays a major role in The Great Crew Change. Having access to education is something that divides the mentioned generations greatly. According to Dr. Cullen, "Each generation has been taught differently, their expectations and abilities differ. For example, Traditionalists and Baby Boomers tend to be more proficient in such "old" skills as working with hand tools or shop tools, or in fixing machines themselves. They have been characterized as having a "get 'er done" mentality and are more tolerant of a classroom, traditional approach to training. Gen Xers and Millennials tend to be much more comfortable with technology and with using computers to find or communicate information. Many have had no experience at all with using hand tools or shop tools, and this rather basic skill must be taught to them before they begin work in mines, drill rigs or construction sites."

Work-Life Balance

When it comes to work and life outside of work, younger generations are much better at balancing out their time between the two. However, when it comes to the Baby Boomers and Traditionals, these generations are much more reluctant to leave work and enjoy some free time. The older generations are more so the "do whatever it takes."

Dr. Cullen uses North Dakota's Bakken region as an example: "In an area like the Bakken Basin, where housing is at a premium and many workers struggle to find a safe place to sleep or something nourishing to eat when their shifts are over, Gen Xers are much more likely to quit than to put up with substandard housing or meals." This shows that older generations are more open to adapting to their surroundings in order to work than younger generations.

Workforce Diversity

Historically, energy industries' employee populations have been homogeneous. Dr. Cullen references a NIOSH report that explains how such "populations have benefitted from common values 'often because of the geographic locations of mines and the adjacent communities and also because families included generations of workers: a grandfather, an uncle, a father, a son, a cousin.'" Yet, in today's work world that is not the case.

Today's workforce is also becoming much more diverse according to demographics data. Industries that have mainly been homogenous are now facing a workforce that comes from "different generations, different national origins, different genders and different parts of the country."

Safety and Health

While it doesn't seem like safety and health have much to do with people retiring and new workers filling positions, they actually have a lot to do with The Great Crew Change. According to Dr. Cullen, statistics prove that injuries in the workplace are on the rise, especially in the energy industry. It is obvious that as we age our bodies are much more susceptible to injuries like sprains, strains and broken bones, and even cumulative trauma injuries. Chronic illnesses and diseases that are received from worksites will also start to take effect on our bodies. However, while it seems like older generations received the short end of the stick, the younger workforce is more prone to traumatic injuries.

Dr. Cullen reported the following in her paper regarding specialized training for industries that are high risk:

Training is an obvious answer, and the NAS study concludes that high quality training is needed to address safety and health issues faced by workers at both ends of their careers, so that these employees can be successful. Training is legally required in industries such as mining and nuclear power, and an argument could be made that it is morally required for all of these industries.

Solutions

It is obvious the energy industry is starting to and will suffer from The Great Crew Change, but Dr. Cullen has a solution that could help ease the pain of transitioning to an entirely different workforce.

In her white paper, Dr. Cullen uses Target Logistics as an example of a company that has adjusted to The Great Crew Change and has made the changes it needed to help all of its employees be comfortable and work together.

To read Dr. Cullen's explanation of Target Logistics and its workforce model, [click here](#).

The Long-Term Focus

Dr. Cullen concludes her paper by reminding people that change is inevitable and it cannot be avoided. If we want to be able to succeed and grow we must accept the fact that things are not always going to go as we please and we have to adapt to the world around us.

The Great Crew Change is the perfect example of this. It is a change that was bound to happen, and now we must decide how to handle the shift from generations in the energy industry workforce to its younger, inevitable replacements. It certainly won't be easy and will take time, but adaptation is necessary if the energy industry wants to continue to grow and be successful.