



The next generation
Talent for the renewable
energy industry

The Scottish Low Carbon Investment Conference
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The next generation – talent for the renewable energy industry

Introduction

- Deloitte sought the thoughts of senior executives from within the renewable energy industry around talent
- **Variety of organisations took part, including utilities, developers, supply chain, smaller organisations and stakeholders**
- Twelve senior contacts took part in interviews, conducted during August
- Three quarters of respondents were heavily involved in renewables
- Just over half of the companies currently have renewable energy operations in Scotland
- Our initial findings were explored further with a group including representatives from renewable energy, government, further education and recruitment.

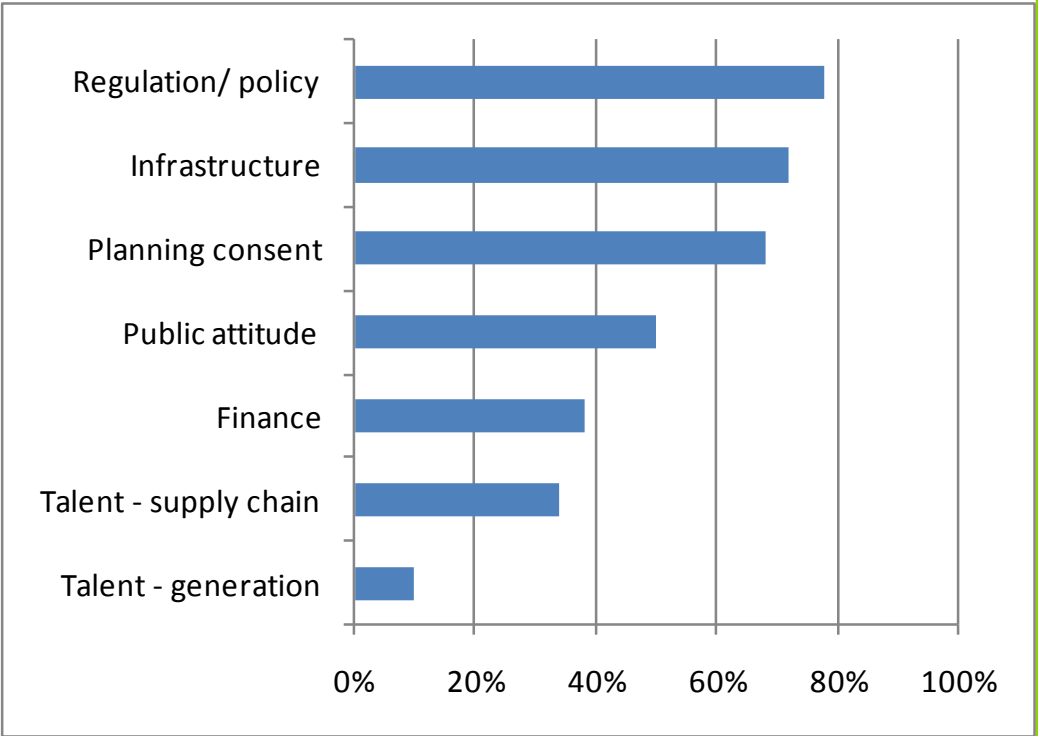
Roman Webber

Head of Renewable Energy, Deloitte

The talent issue vs. regulation, infrastructure and planning consent

Interviewees were asked to prioritise the following in order of importance:

- Talent shortages in the generation industry
- Talent shortages in the supply chain
- Public attitude towards renewable energy
- Planning consent for renewable energy projects
- Instability of government regulation/incentives
- Availability of finance
- Infrastructure issues



The talent issue vs. regulation, infrastructure and planning consent

Further feedback:

- UK felt to have a positive political environment
- Visible political support of renewable energy in Scotland
- Sophisticated investment requirements means more needs to be done
- More may also need to be done to ensure public support of renewable energy.

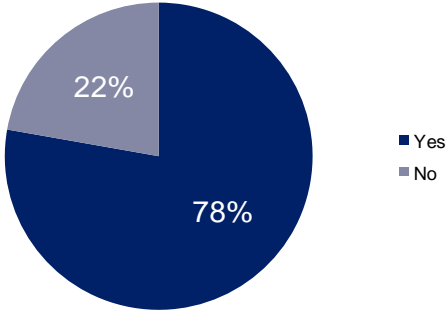
Deloitte point of view:

- Its right to focus on “make or break” issues
- “Hierarchy of needs” indicates that talent could become a limiting factor
- Talent, especially experienced talent, will be particularly significant
- Lead time for talent means this needs to become a consideration now.

The majority of respondents said their company has the skills required to execute their renewables plans ... but only just... and only just now

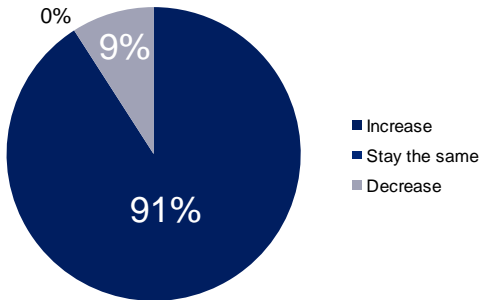
Interviewees were asked:

•Do you currently have the skills required to execute your renewable energy development plans?



Interviewees were asked:

•Over the next five years, do you expect your investment in the renewable energy sector to increase, decrease or stay the same:



The majority of respondents said their company has the skills required to execute their renewables plans ... but only just... and only just now!

Further feedback:

- Many organisations “only just” have the skills they require
- Many expect to be able to recruit the skills they require in the future
- An increase in investment will lead to an increase in skills requirements.

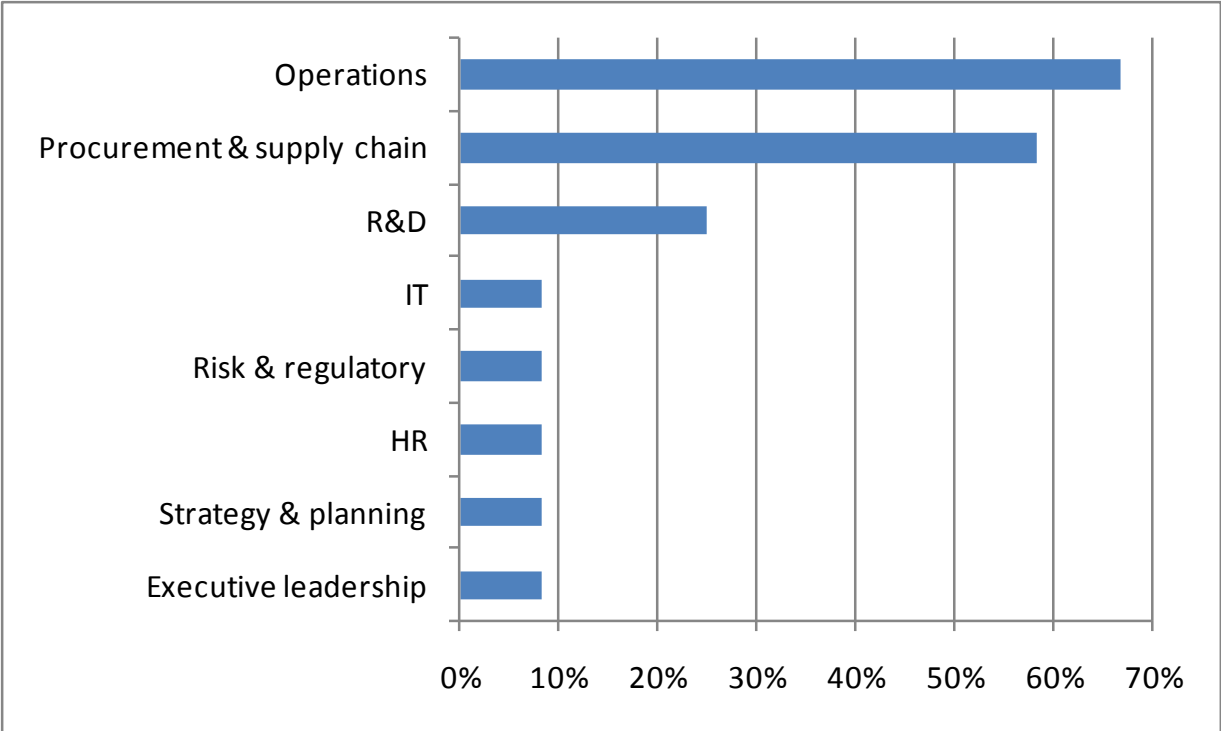
Deloitte point of view

- Possible gap between political ambition and current project portfolio
- The opinion of the outsource service companies has still to be heard
- Demand from other sectors, and growth intentions for renewable energy, will lead to competition for available talent in the future.

At the same time, there were some future talent concerns identified around operations and supply chain

Interviewees were asked to select the three areas where they anticipated the largest talent shortages to be in the next three years, from the following list:

- Research and Development
- Executive leadership
- Sales
- Strategy and planning
- HR
- Risk and regulatory
- Procurement and supply chain
- Operations
- Finance
- IT
- Customer service
- Marketing



At the same time, there were some future concerns identified around operations and supply chain

Further feedback:

- As well operations and supply chain, each company had specific needs
- Particularly difficult to find individuals experienced in offshore wind farm build
- Also crews for maintenance, delivery and cable laying vessels.

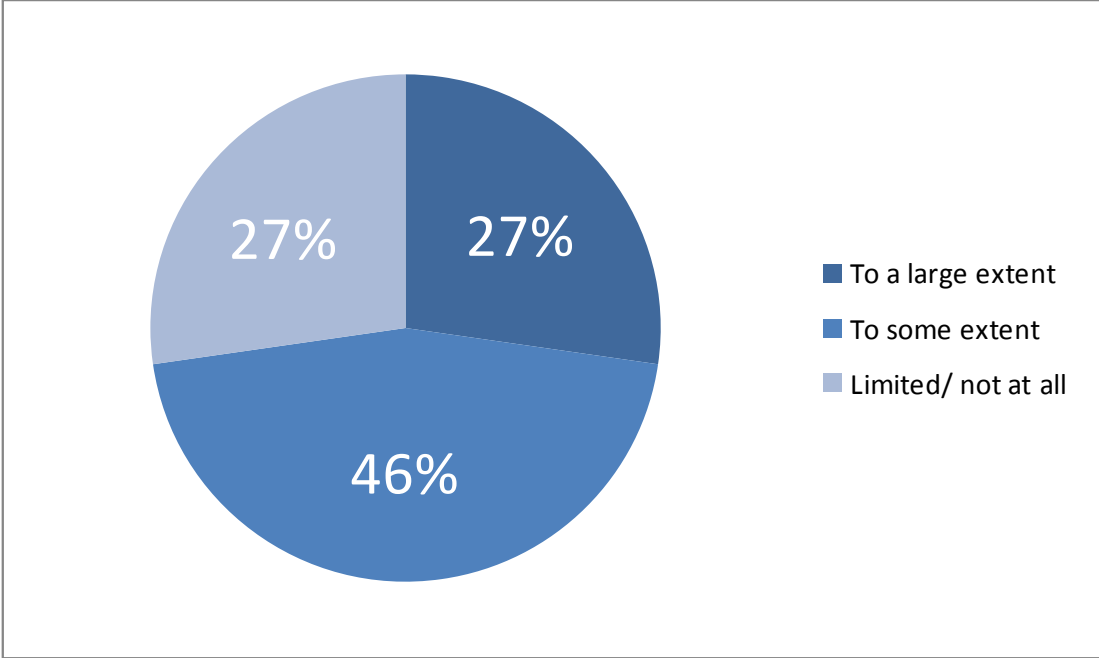
Deloitte point of view:

- The renewable energy sector's talent concerns differ significantly from other industry sectors
- The diversity of the sector makes generalisations very difficult
- Specific gaps within operations and supply chain will require further investigation.

There are mixed views on the potential of the UK oil and gas industry as a source of talent

Interviewees were asked:

To what extent do you think that the skills used in the oil & gas sector can be transferred and applied to the renewable energy sector?



There are mixed views on the potential of the UK oil and gas industry as a source of talent

- Several UK respondents felt there was little or no overlap
- Some transferability: offshore wind infrastructure, supply chain management and some commercial roles
- The renewable energy industry does not have the revenue stream to compete for talent with the oil and gas industry
- Canadian companies had different experience and perspective.

Deloitte point of view:

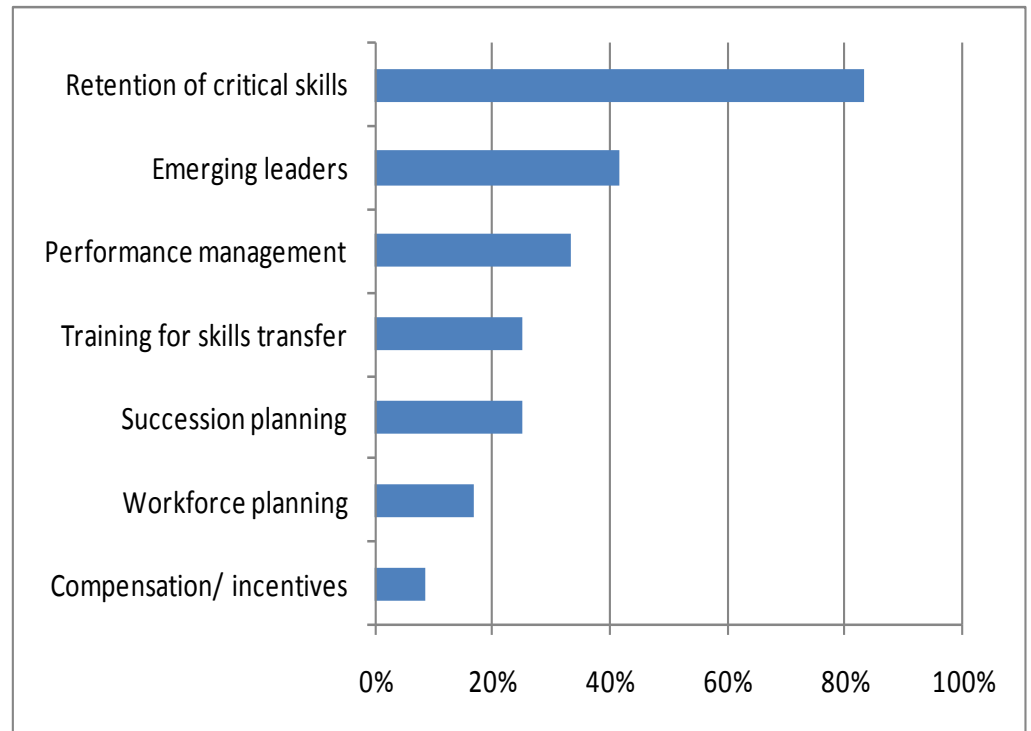
- While the oil price remains high, movement between sectors unlikely
- Further exploration of the Canadian companies redeployment of skills is required
- Clear indication of need for granular approach to talent in the renewable energy industry.

Core talent management priorities for the next three years are retention, leadership and performance management

Interviewees were asked:

Out of the following, which three do you anticipate your organisation will focus on in terms of core talent management priorities over the next three years?

- Performance management
- Emerging leaders
- Workforce planning (experience/graduate recruitment)
- Retention of employees with critical skills
- Talent assessment
- Benefits
- Succession planning
- Regulatory, security and risk training
- Job specific/functional training
- Retention
- Non-financial incentives
- Onboarding and orientation
- Compensation/financial incentives
- Training to enable skills transfers



Core talent management priorities for the next three years are retention, leadership and performance management

Further feedback:

- Work in recruitment, development and retention already evident in the industry
- Re-emerging infrastructure sector competing for talent
- Smaller companies could be starved of talent by more mature parts of the sector
- People with technical skills and commercial attitude are key to success.

Deloitte point of view:

- Industry and government must consider some emerging risks for smaller organisations
- Retention must use the full range of financial and non-financial tools at an organisation's disposal
- Creative approaches to employment, up and down the supply chain.

Conclusions

- Focus on the hierarchy of needs; talent must be given management attention
- The talent requirements within the industry's operations and supply chain require particular attention
- Roles in the renewable energy industry require a combination of technological skills and commercial awareness
- Supply chain should work together to try to further enhance talent and skills available
- Develop and implement a retention strategy to secure your talent, no matter the size of your organisation.

Panel and audience discussion



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