

PerspECCtive

Theme:
Win Together to Share Success NOW!

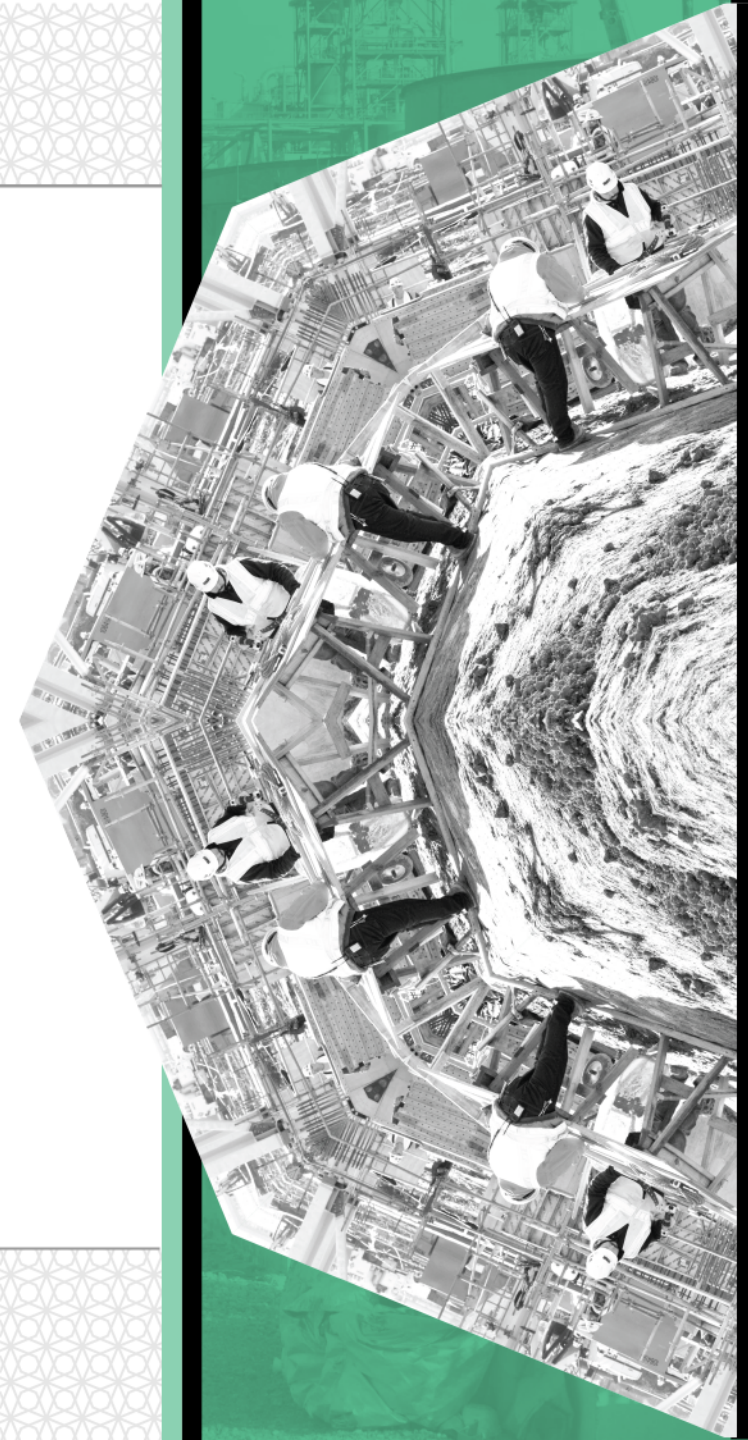
The Future of our Industry

A case for change

Year:
2019

Date:
Aug. 28-31

Location:
**The Broadmoor
Colorado Springs, CO**



Who we are

Moderator



Ralph Rutanhira

Associate Principal

Guest Speakers



Martha Feedback

Senior Director, Corporate
Engagement



Glenn Weckerlin

Director, Enterprise
Programs & Partnerships

What we want to achieve

Key question

How does our industry attract and retain Millennials and Gen Z's in the face of stiffening competition from other industries?

Forum objective

By acknowledging Future Leaders' perspective on the industry, today's leaders can work **now** to implement programs that will continue to attract and retain the brightest and best talent

The future workforce will look vastly different than today's




Context

Over the next 10-15 years, workforce age demographics will shift – with Millennials and Gen Z comprising up to **85%** of the future workforce

Key question

What are the key differences in the characteristics of Millennials and Gen Z's?

Who are the generations in today's workforce?

Generation	Generational stats and traits	Social media platform
GenX (40 – 54 yr. olds)	<ul style="list-style-type: none">■ 42% have both financially dependent child and older parent■ 86% of married GenX households are dual income■ 75% took a career break after having children■ Tech savvy	
Millennials (24 – 39 yr. olds)	<ul style="list-style-type: none">■ By 2025 they will be 75% of all working-age people■ 30% work in “gig” jobs – avg. time in a “gig” is 18-36 months■ 81% are actively searching or are open to new opportunities■ Ubiquitous technology - integral part of living	
Gen Z (9 – 24 yr. olds)	<ul style="list-style-type: none">■ By 2020, they will be 36% of the workforce■ 33% of all Gen Z live in underdeveloped countries■ >17% of all US 18-24-year old are foreign born■ Ubiquitous technology – integral part of living	

The US population demographics are dramatically shifting

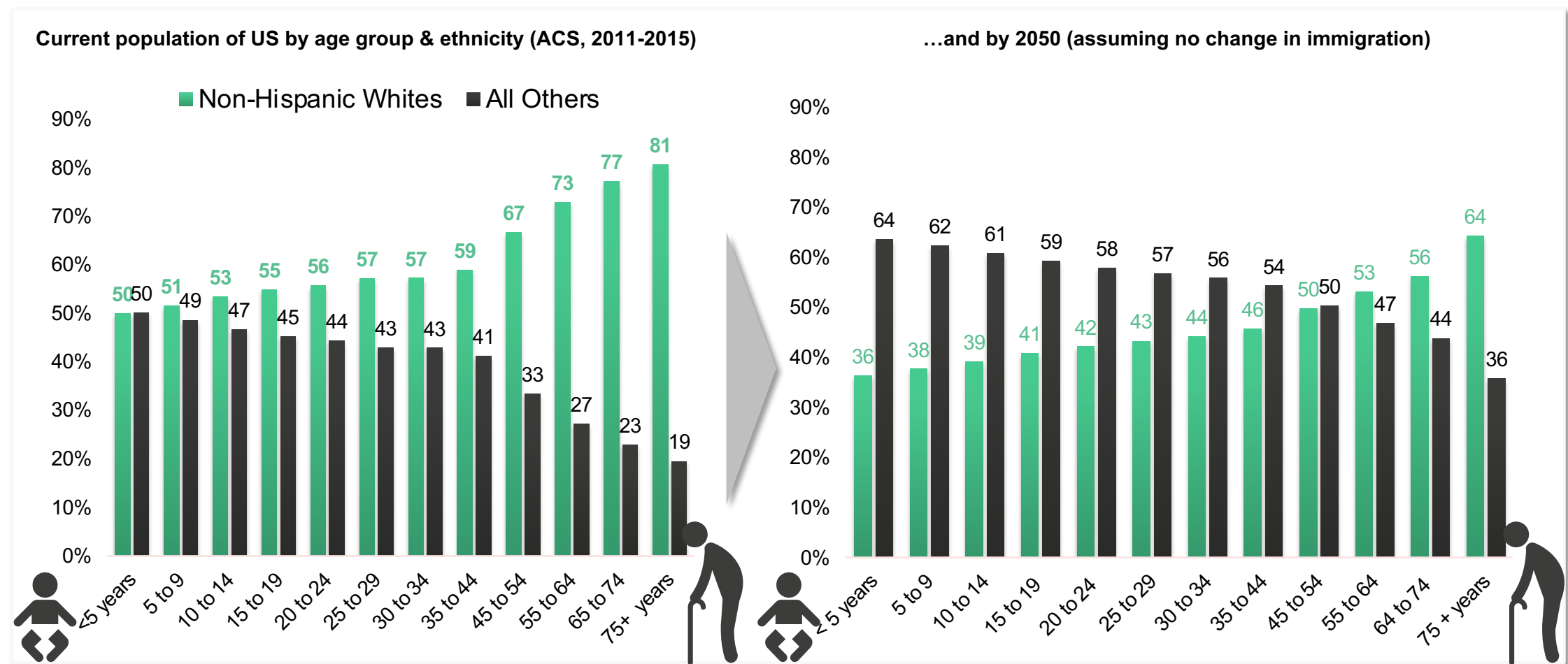
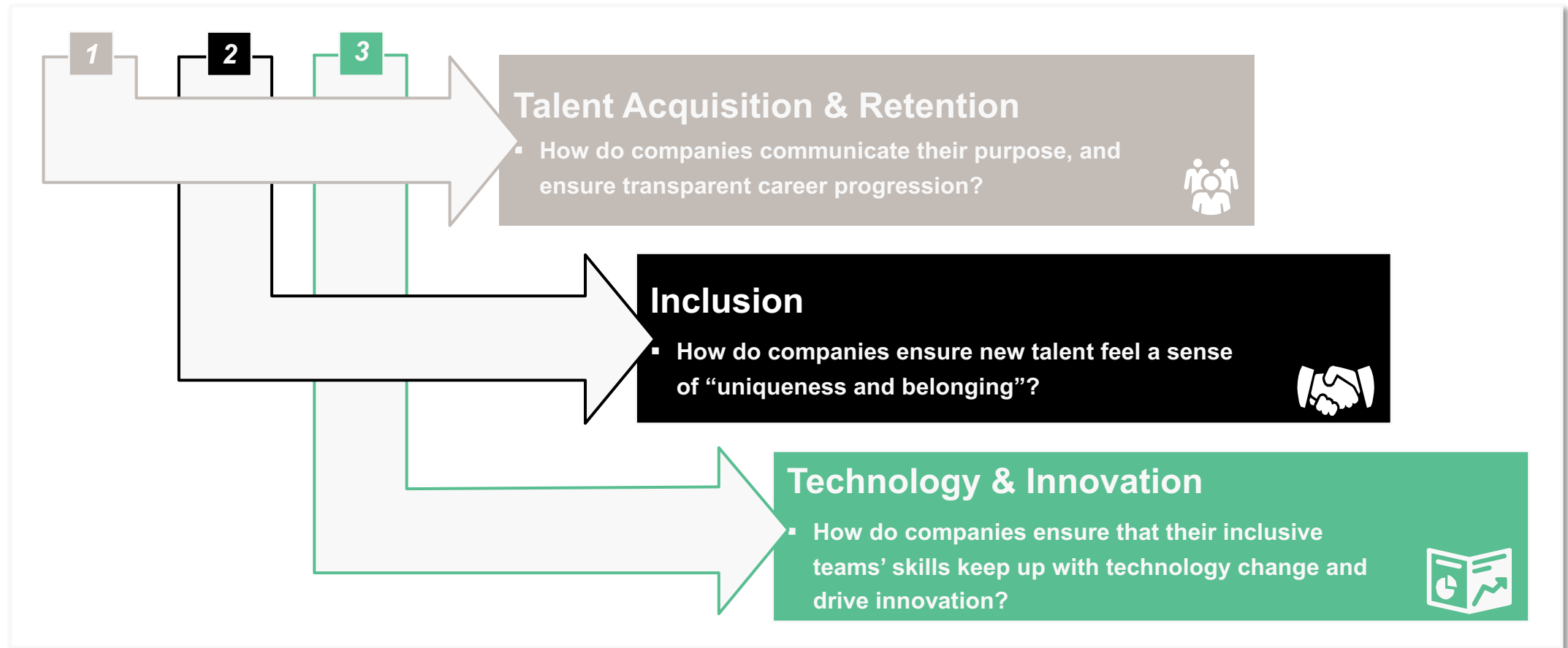
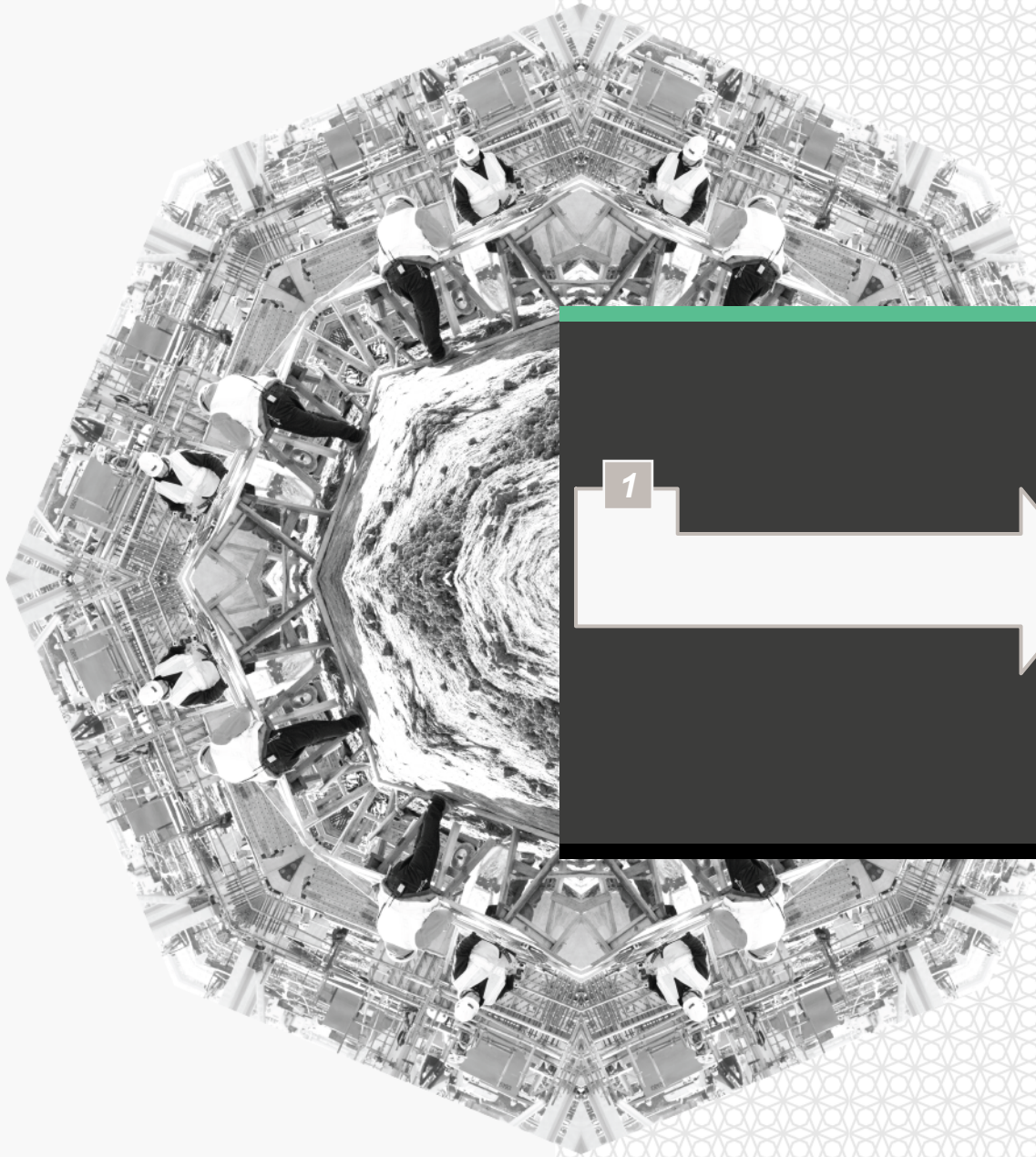


Chart source:

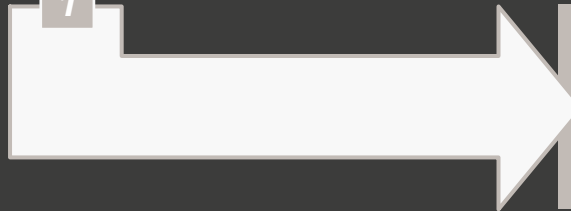


The forum seeks to explore three key areas





1

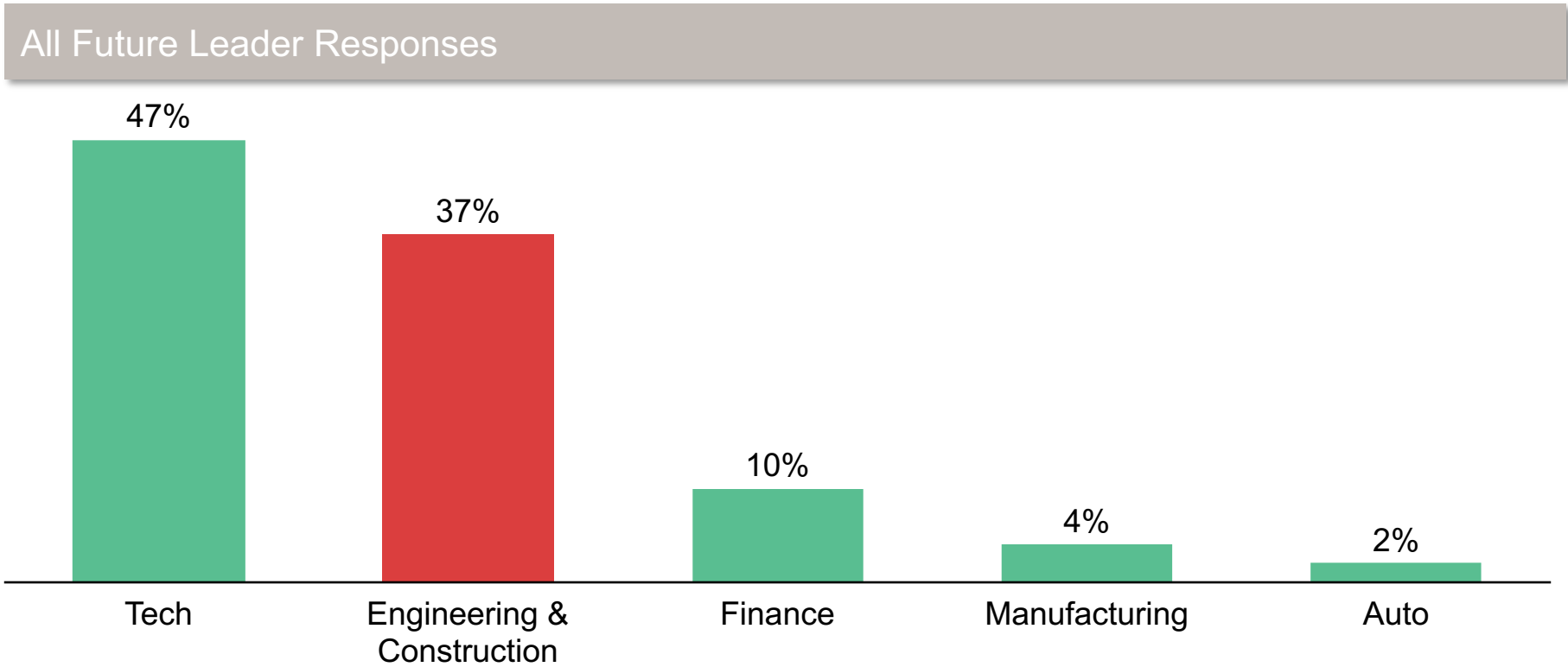


Talent Acquisition &
Retention



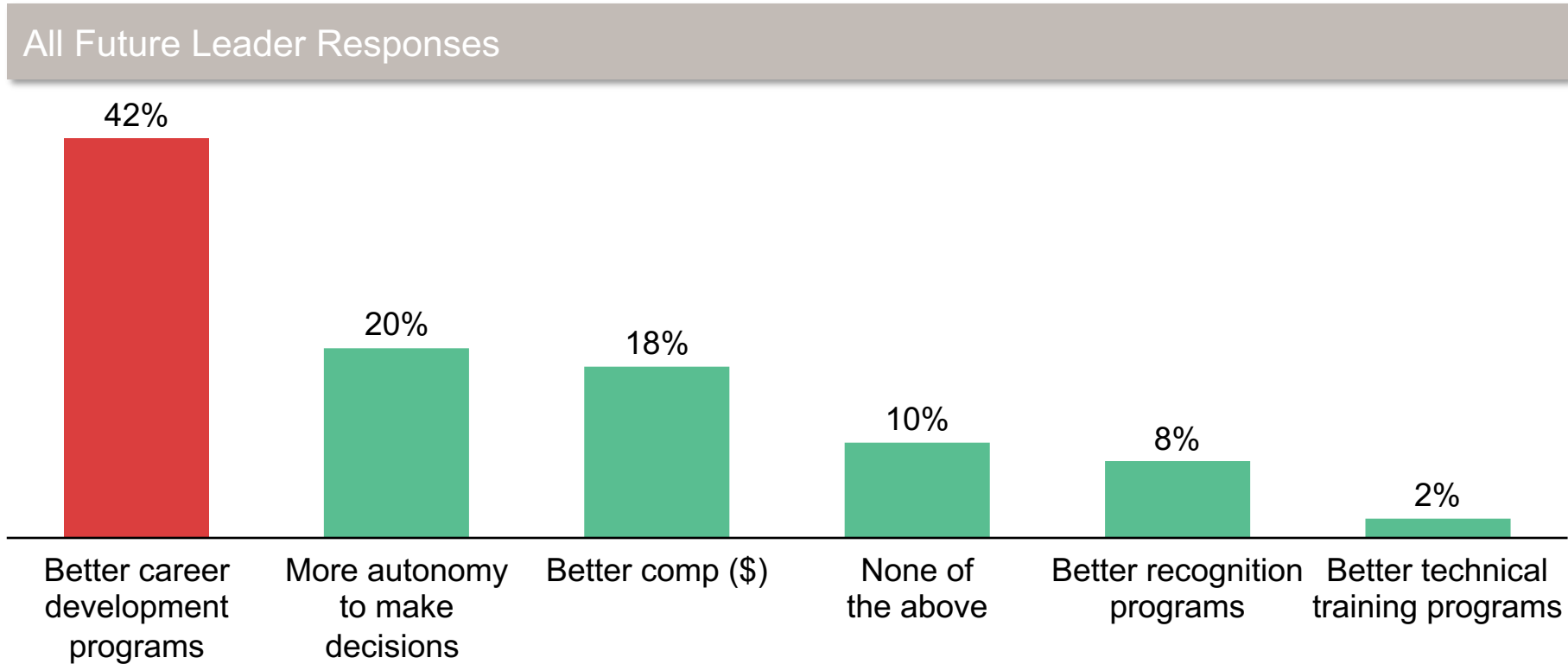
When it comes to attraction, about half of us think Tech industry is more attractive than our industry

Question: Given similar compensation and location, rank the relative attractiveness of the following industries?



In terms of retention, better career development opportunities are most important

Question: What is most important to you regarding employee satisfaction?



Key research in talent acquisition and retention

- **Work to live, not live to work**
- **Flexible, portable careers**
 - Proponents of *work-life effectiveness*
- **Meaning > money**
 - Effect change in the world, purpose driven
 - Over 70% say they will stay if they understand what company stands for (KPMG Research 2019)
- **Reject hierarchies, rigid structures, traditional workplace cultures**
- **Expect transparency in advancement, fair promotion requirements**
- **Latest tech is important value proposition**
 - 93% agree latest tech deciding factor when choosing workplace ((KPMG Research 2019)
 - 42% will leave if tech is substandard (KPMG 2019)

Chevron talent acquisition and retention

enabling human
progress

We develop the energy
that improves lives
and powers the world
forward.

“WHY” > “what”

Today, over **1 billion** people worldwide have no electricity.

Almost **40 percent of humanity – nearly 3 billion people** – still use biomass, animal dung or other fuels that are dangerous for indoor cooking and heating, no different than was done hundreds of years ago.

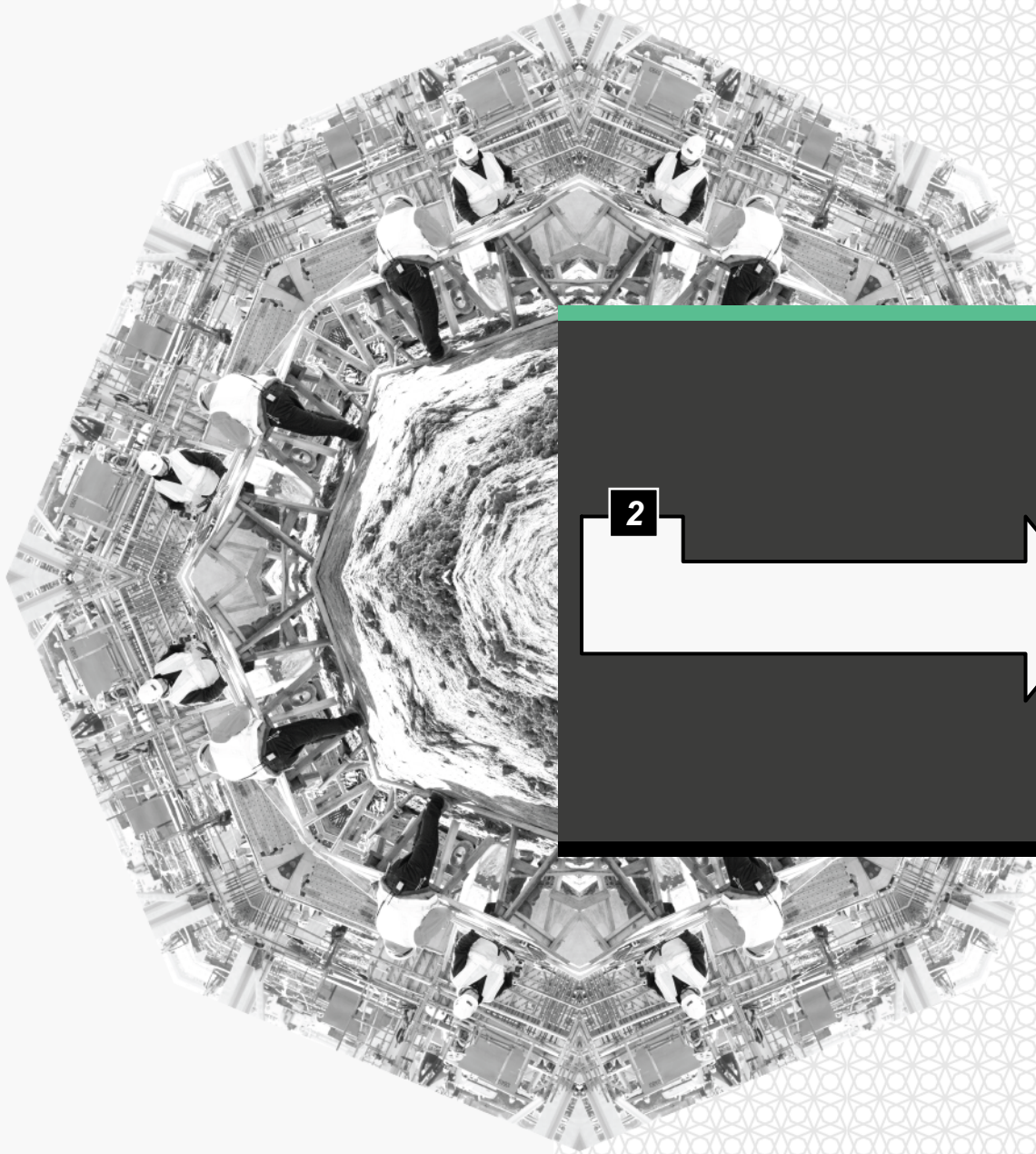
Every global citizen deserves access to safe, reliable, affordable energy and the human progress it enables. Energy opens the door to education, to sanitation and health care, and to the first steps on an economic pathway to better support families. Helping countries defeat energy poverty strengthens effective governments, spurs economic growth that creates openings for trade, and makes environmental improvement possible.

These principles can guide us toward a more rational conversation about energy. And they can help us unlock the benefits that flow from the availability of reliable, affordable, cleaner energy to eliminate energy poverty and improve lives around the world.

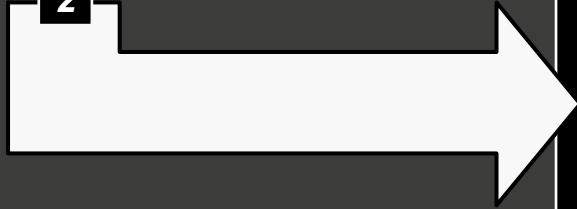
Michael Wirth is chairman and CEO of Chevron

Talent acquisition and retention key takeaways

- **Articulate social mission and innovative opportunities**
- **Redefine core competencies for future job, not past successes**
 - Rewrite job description and check for unintentional bias in words/competencies
- **Articulate professional development and career opportunities**
 - Timely feedback is critical to retention
 - Articulate the “gigs” they can do in your company and how to get there
- **Diverse interview panels and standardized interviewing to remove bias**
- **Hire to fill gap/need/competency on team, and not just “culture fit”**
- **Develop local relationships with 2- and 4-year colleges**



2



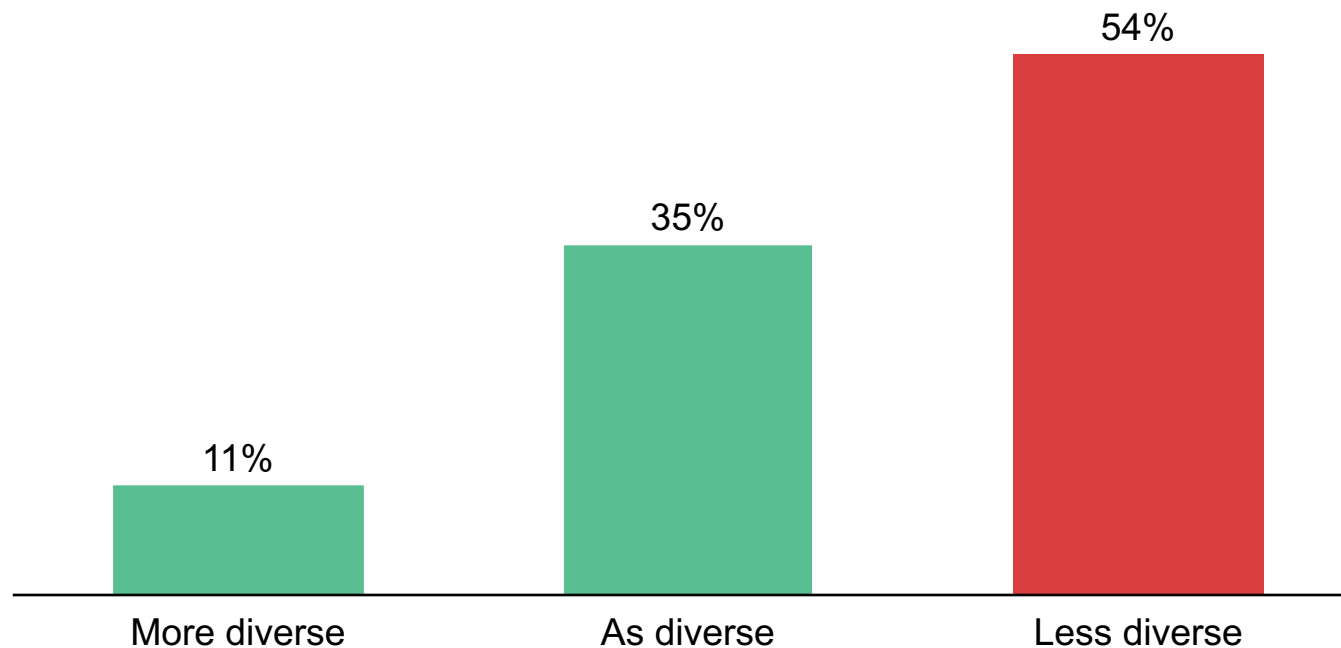
Inclusion



Most people think there is a lack of diversity in the industry

Question: Do you perceive our industry to be more, less or as diverse as other industries (e.g., age, race, gender)?

All Future Leader Responses



30% of women that graduate with a STEM degree do not enter the industry

Bias and stereotypes create barriers

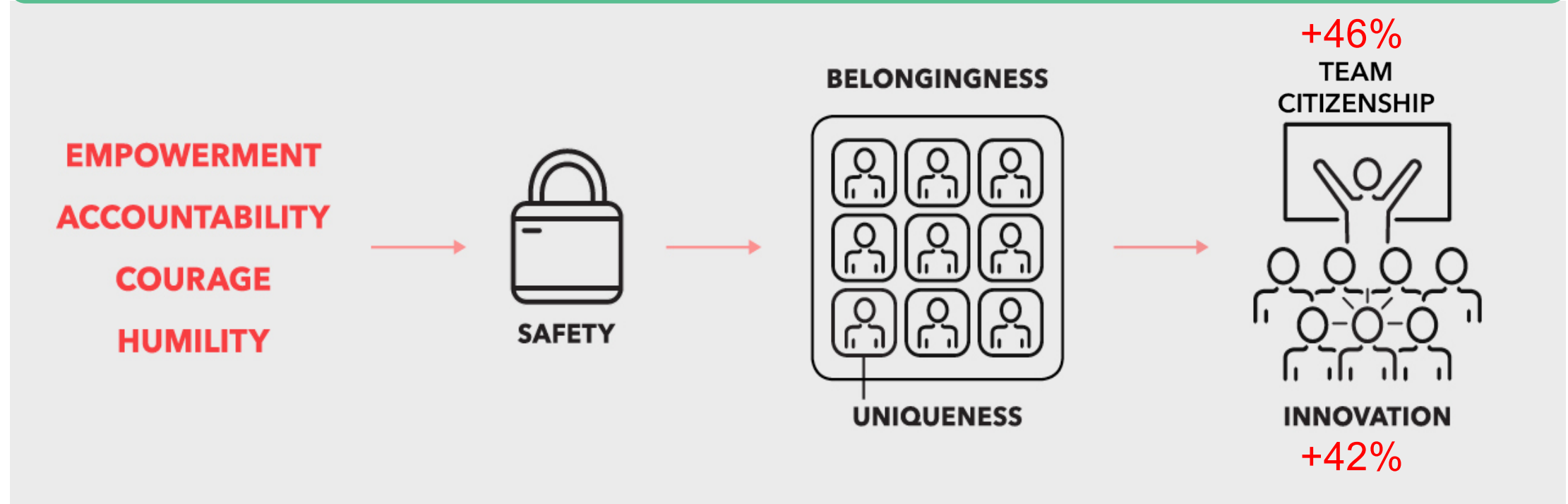
When employees feel like the “others” in the workplace they tend to have lack of access to informal networks, and lack of role models which prevents diverse talent from:



- Navigating unwritten rules
- Securing sponsors
- Landing “Hot Jobs”
- Maintaining career aspirations

Inclusion creates opportunity

Inclusion leads to innovation and team citizenship



Inclusion drives employee satisfaction

- Employees who rated their Supervisor:
 - High on Inclusion = 86% Employee Satisfaction Score
 - Low on Inclusion = 23% Employee Satisfaction Score

PEOPLE LEAVE SUPERVISORS NOT FIRMS

Chevron diversity and inclusion

- The shift in focus from diversity to inclusion
- Increasing retention through inclusion – the importance of “belonging”
- Chevron MARC program – “Men Advocating Real Change”

12 networks,
~**45%** of population

20,000+
members and growing

75% of population

MARC
MEN ADVOCATING REAL CHANGE
BY CATALYST

why men?

Because the majority of senior leaders in today's business world are men, *men are in the best position to influence cultural and organizational change.*

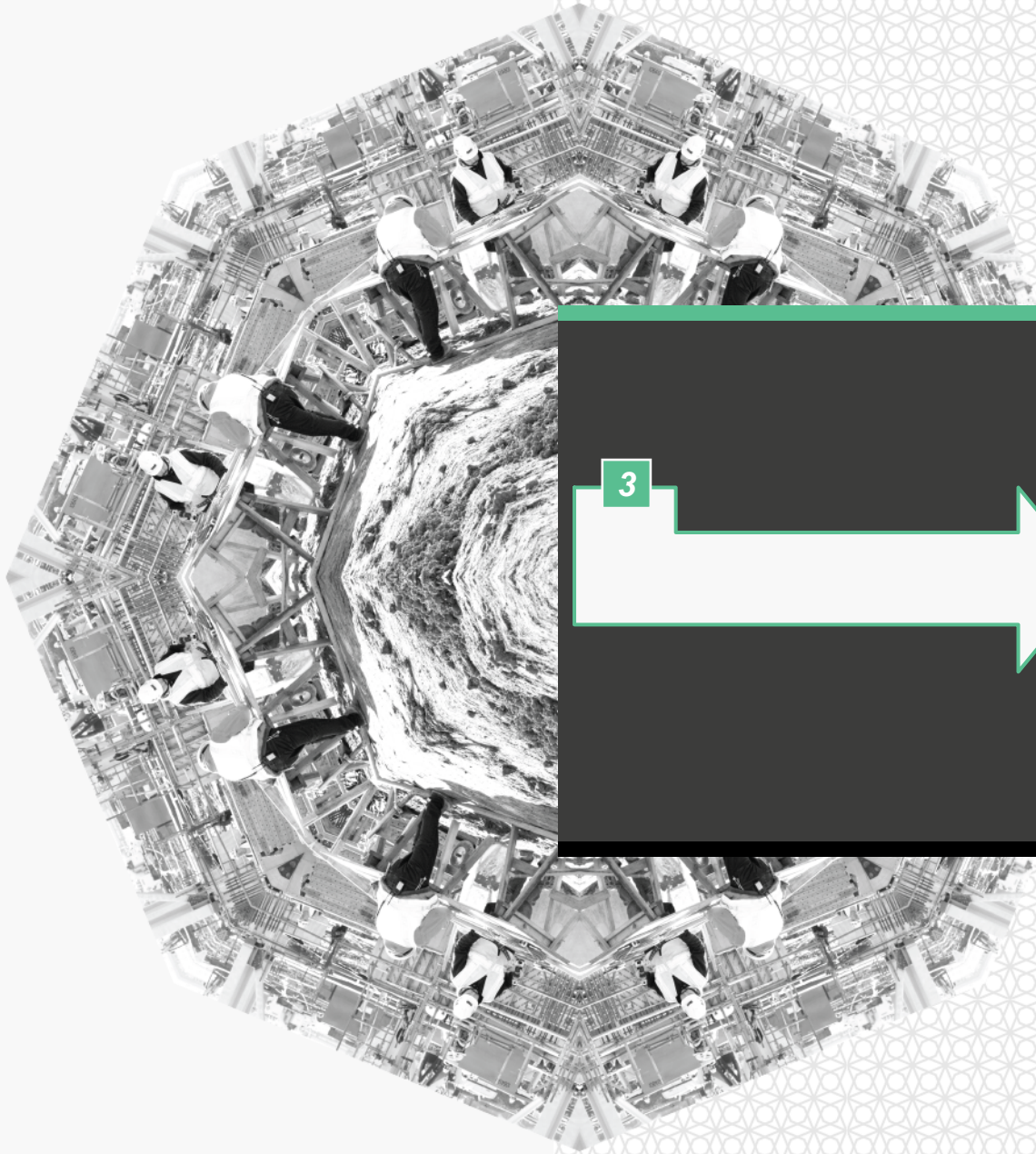
We need leaders who can create truly inclusive cultures—environments where women and men have equal opportunities to make contributions, drive change, and advance to leadership roles.

100% of population

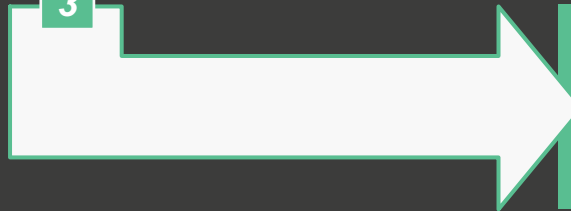
**diversity and inclusion
agreements**

Inclusion key takeaways

- **Diversity does not equal inclusion**
- **Inclusion is expected – showcase inclusion, not “fixing” exclusion**
- **Engage men in the conversations for culture change**
- **Learn personal filters and biases**
- **Role model inclusive leadership**
- **Younger generations prefer collaborative efforts and diverse perspectives**



3

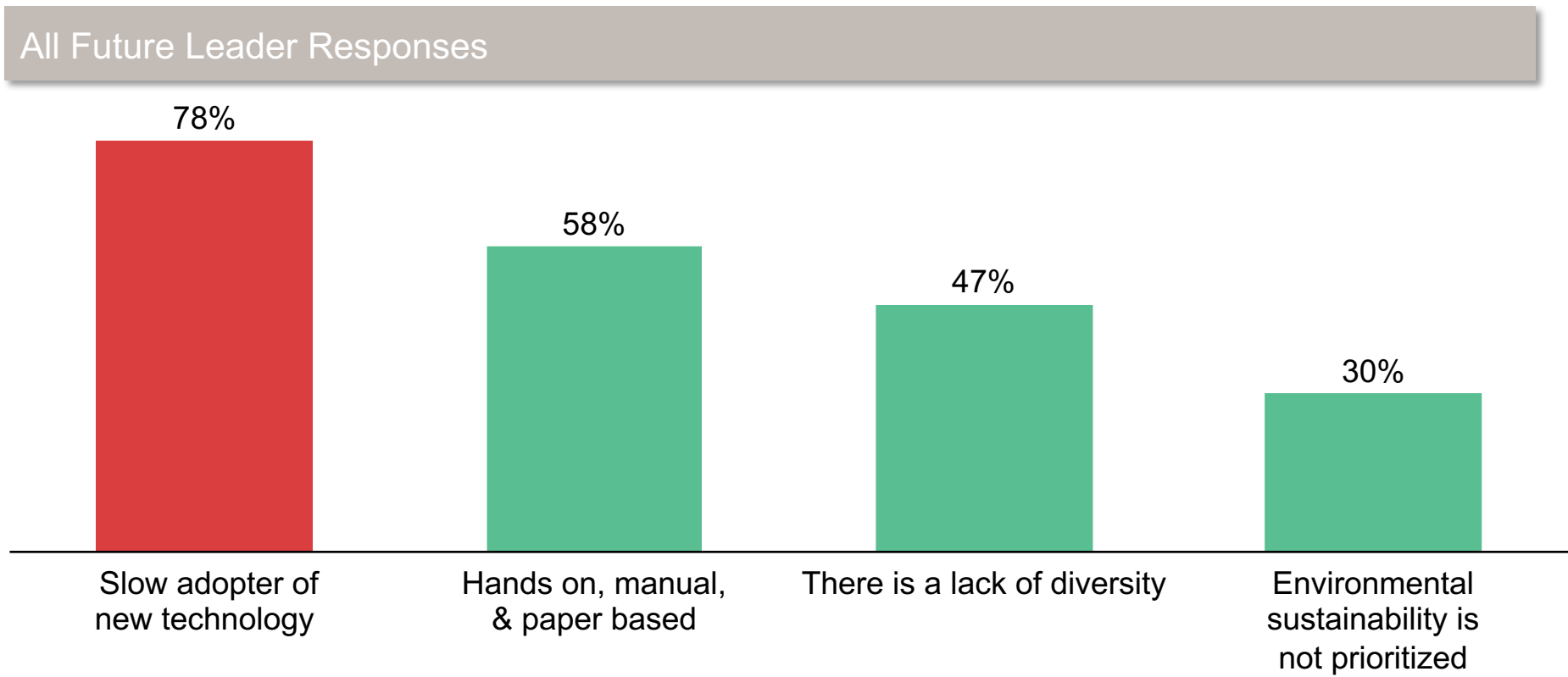


Technology & Innovation



Unanimous agreement on the slow adoption of new technology

Question: Which of the following perceptions are true of our industry? (Check all that apply)



Generally not satisfied with training on new technology



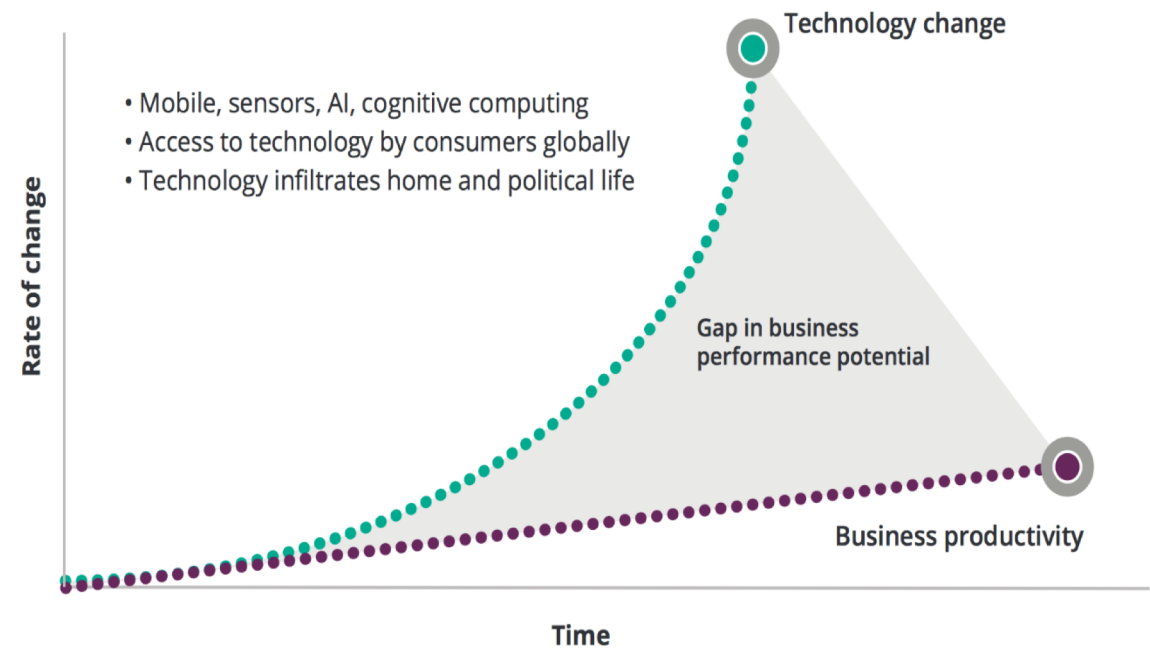
Innovation & technology are important to Millennials and Gen Z

Innovation



25% of millennials said that the main barrier to innovation is the **attitude of senior management**

Growing gap to business performance potential



(Source: Deloitte University Press)

Chevron technology and innovation

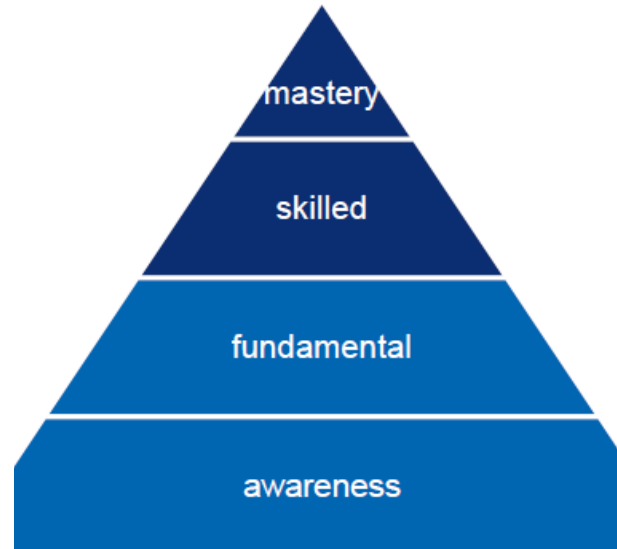
- Digital imperative (accept it)
- Program approach to re-skilling and bringing on new talent



why?

"The skills required to do the work of today are going to be different from the skills needed yesterday." – Mike Wirth, Shared Energy Town Hall, February 2019

Digital Fluency Learning Levels



MIT Master's Degree Program

Equip future leaders with functional skills ...

Digital Academy

Create an expectation and an environment where Chevron's general population keeps pace with the fast-changing digital world

Technology and innovation key takeaways

- **Talk tech and innovation in recruiting**
- **Ongoing tech training - reskilling**
 - Currently people skills are not keeping up with rapid tech advances
 - Reassess core competencies to include tech innovation
- **Assess technology gaps in workplace**
 - Ubiquitous technology - want employer's tech to be on par with tech they use in their personal lives
- **Allow team collaboration/conflict to achieve best innovation**

Final thoughts

