## **Graduates -- Work Ready Day 1**

PHEE Conference January 2010

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General Manager
INEOS Grangemouth



#### **INEOS Background**

- 2008 Sales approx \$48bn
- 16,000 employees\*
- 4,500 employee shareholders
- 70 manufacturing sites worldwide\*
- 40 million tonnes of chemicals capacity
- 20 million tonnes of refinery products (400,000 bbls/day)
- 3<sup>rd</sup> largest chemical company globally
  - · Largest refinery in Southern France
  - · Largest refinery in North Britain
  - Largest Olefin producer in Europe

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## **Grangemouth**

- 1700 acre site
  - 4000 kilometre of pipework
  - 9m litres of clean fuel per year
  - 1 million tonnes of chemicals per year
- 1400 direct employees incl.
  - 99 apprentices
  - 18 graduates in development programs
- Estimated 7000 indirect jobs supported in Central Scotland
- Generate £4.0bn turnover
- Export £2.0bn sales

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<sup>\*</sup> excl. joint ventures



#### **Education and Training of Engineers during** a recession

## Graduates, Work Ready Day 1

**Engineers of the Future** 



## **Our Shopping List** i.e. Customer Requirements

- Our Sites need
  - Engineering Graduates
    - · Chemical, Mechanical, Electrical & Instrument
      - Capable of reaching Chartered Eng. Status
      - Technical expertise in the Process Industry –problem solving/innovation
      - People Managers, from technicians to professional staff
         Financial/Commercial Awareness
- Our Businesses need
  - Graduates with analytical skills problem solving/innovation
  - · Commercial, Sales, Marketing, Financial
  - Could be Engineers but 2x training load
  - Most of all we need speed to the Market Place
  - Do a Job from Day 1
  - This is critical as we move out of recession

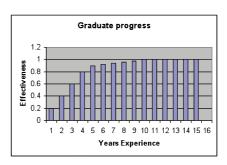
## **Traditional Route**

- School to University
- Graduate with 2/1 or better
- Join Process Industry
- 4 year 'apprenticeship'
- Year 1 & 2 training, Year 3& 4 --50%--75% effective
- Cost to train (Salary, NI, Bonus, Pension etc) ---- £170K+

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### The Issue

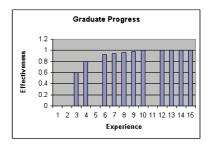
- Under stable economic conditions experience level is constant
  - Recruitment of grads ensure that retirees are replaced
  - Recruitment of experienced Engineers ensure experience level is maintained



Total experience = 114 years

### The Issue Under Recession

- Under Recession Conditions
  - No recruitment of Graduates
  - No replacement of experienced leavers
- How do you resource the recovery?
- How do we accelerate the effectiveness curve
- Speed to close gap –
   Speed to Market



Total experience = 97 years

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## Engineering Graduates—Speed to market place?

What do we mean?

- 1. Deep understanding of our plants from day 1
- 2. Risk Assessment- our daily life -starts day 1
- 3. Working knowledge of Industry Standards
- 4. Working knowledge of Legislation
- 5. Social Skills

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# **Engineering Graduates—Speed to market place?**

- 1& 2 are not achievable in the short term
  - Deep knowledge of plant
  - Risk assessments

#### **However**

- 3,4,&5 can be accelerated in the short term
  - Industry Standard
  - Legislation
  - Social skills

I'll come back to the longer term– but what can we do to <u>aid</u> quick recovery?

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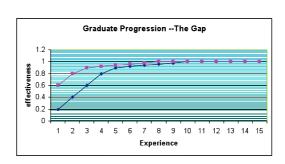
## **The Prize**

If we can reduce the time to 90% effectiveness by half

The cost saving will be approx £90k per graduate

#### AND

The experience levels recover much quicker



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## Short Term Speed to Market What Can Academia do in the short Term

#### 1. Industry Standards

- BSi, DIN, ANSI
- Inches, psig, feet/second, gallons, barrels, etc etc
- HV, Pneumatics, Flow measurement, Control Schemes

#### 2. Legislation

COMAH, IPC, Employment, H&S at Work Act

#### 3. Social Skills

 Team Work, Leadership, Communication, Report Writing, Verbal Feedback, Hard Edge, Community Involvement

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## **Engineering Graduates—Speed** to market place Long Term?

What do we mean?

- 1. Deep understanding of our plants from day 1
- 2. Risk Assessment- our daily life -starts day 1
  - Hazops, Work Place Take Five, Safe Systems of Work,
  - Safety Rules
  - Environmental rules

#### And of course we still need

- 3. Industry Standards
  - BSi, DIN, ANSI
  - Inches, psig, feet/second, gallons, barrels, etc etc
- 4. Legislation
  - COMAH, IPC, Employment, H&S at Work
- 5. Social Skil
  - Team Work, Leadership, Communication, Report Writing, Verbal Feedback, Hard Edge, Community Involvement



## **Alternative Route –Long Term**

- 5 year sponsored training
  - 2 year accelerated apprenticeship
  - Master Degree after 5 years
  - Work experience on Site during sponsorship
    - On plant
    - · Working with INEOS staff
    - Utilising INEOS processes and systems
    - Working to the Site/ Industry standards
    - · Part of a team
    - · Understand the role/job



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## **Alternative Route – Long Term**

#### How can it Happen?

- Partnership
  - Industry
    - Provides the money (with help from Government)
    - Provides the work placements
    - Provides the Industry Knowledge
  - Local College
    - Provides the practical, hands on, basic apprenticeship skills
    - Takes the students to HNC level and SVQ3
    - Employees the Students
  - University
    - Develop the Academic ability via the Masters Degree
    - Support Collede academic development e.g. Maths

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## **Alternative Route-Long Term**

#### What's In It for Everyone?

- <u>Student</u> paid to train and study followed by an initial higher starting salary
- College and University more income and close links with Industry
- Industry A graduate able to do the job on day 1 at half the training cost of the traditional route.

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### **Alternative Route – Long Term**

#### Will It Work?

- We will know in 3 years time
- Currently in the second year of our pilot
- We are recruiting our second batch now
- So far It's going Ok
- Who's Involved? ----



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Business to College Awards Innovation Category Winners 2009

#### **Engineers of the Future**

- · Bespoke training programme
- Award winning
- Five year company sponsored
- Masters Degree qualification
- · Site-based experiences from 'day one'
- Unique partnership with Forth Valley College and Heriot-Watt University



## **Alternative Route**

Question



We have thought of one alternative to the issue of getting graduates to the market place on day one

What is your alternative?

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## **PHEE Congress 2010**

- -Thanks You for allowing me the opportunity to present today
- -Questions?

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