

**Malaysia Oil & Gas Industry Workforce are We Tuned-Up for the Rebound
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Abstract

This research was carried out to analyze the readiness of the oil and gas industry towards the rebound and the readiness of the workforce to face the rebound. The research addresses two areas which are (1) the industry readiness – the extent with which the oil and gas industry is capable in employing workers and (2) the workforce readiness – the extent with which the workforce is competent to be employed. A survey questionnaire was sent out to six hundred (600) individuals and companies. A total of 295 completed survey questionnaires were successfully collected with majority of the respondents being Malaysians currently in Malaysia. The respondents consist of 141 employed individuals, 33 unemployed individuals and 121 hiring managers. Furthermore, a second set of qualitative questionnaires were sent to nine senior management personnel of oil and gas companies.

The survey shows that vacancy openings during the rebound have begun within the upstream sector. The hiring strategy used by the hiring managers is to hire qualified and competent workers internally as well as hire those that are readily available in the market and can start work immediately. However, most of the companies remain cautious when it comes to increasing salaries. Majority of the companies indicate that they have a training budget prepared, which they can use for internal staff development.

The survey also indicates that despite the early sign of rebound, unemployment in the oil and gas industry still exists and companies are selective in hiring back workers. Due to this, there is still room for reskilling and upskilling to be taken up by the affected workers, either on their own or through a government funded program. Despite willing to come back at a lower compensation rate or at different job level, those that have the relevant industry competencies stand a higher chance to be rehired earlier, to fill up the critical vacancies available in the three oil and gas subsectors (upstream, midstream and downstream).