



NEI Global Relocation

# 2024 RELOCATION TRENDS

ENERGY & UTILITIES

## Featuring

- Energy Talent Gap Solutions
- Talent Retention Tactics
- Advanced Relocation Benefit Insights & Trends

Discover how leading Energy and Utilities companies are leveraging innovative relocation benefits as strategic tools to overcome talent shortages.



# Tackling the Talent Shortage

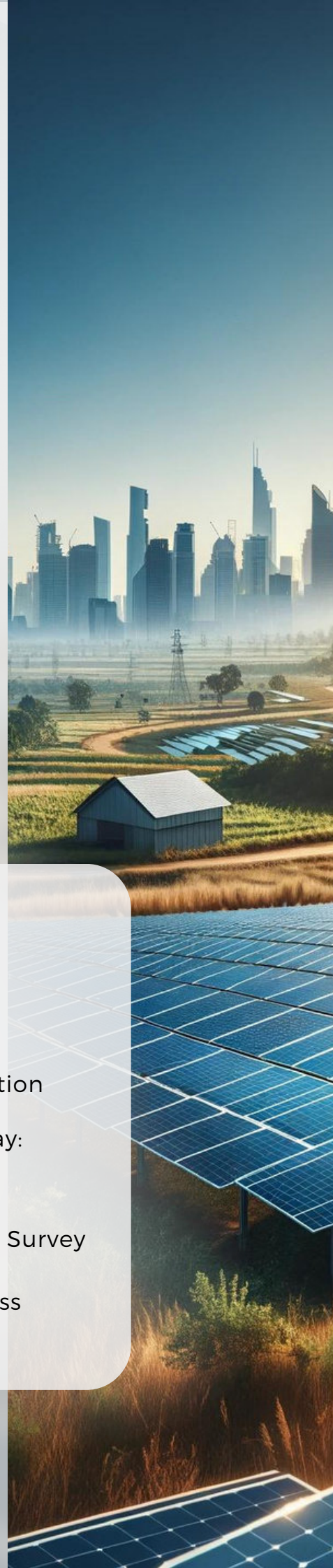
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Energy markets are undergoing generational change as climate priorities influence government policy, capital allocation, and investor behavior. With the pace of energy transition, which is uneven across geographies, businesses will face numerous challenges of identifying opportunities and risks and adapting to new policies and evolving market dynamics.”

— *S&P Global Commodity Insights*

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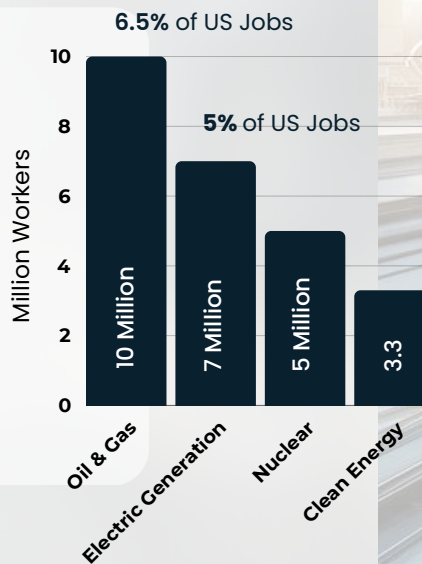
# Energy's Economic & Employment Impact

Over the past year, the U.S. expended approximately \$1.3 trillion on energy, equating around \$4,000 per person and constituting 5.7% of GDP.

The industry also employs an impressive number of Americans:

- **The oil and gas industry** in the U.S. employs around 10 million people; equivalent to 6.5% of the U.S.'s total jobs.
- **Electric power generation** accounts for about 5% of the overall American workforce, or nearly 7 million people. In 2023, two of every five U.S. energy sector jobs is in energy efficiency and employs 2.2 million people.
- The number of jobs in the U.S. **nuclear energy sector** surpassed 5 million in June 2023, after increasing steeply since the beginning of the year.
- 3.3 million Americans work in clean energy (renewable generation, energy efficiency, clean vehicles, battery and storage, grid modernization, biofuels), which grew 4% in 2022 and 10% since 2021.

US Energy Spend  
**2023** **\$1.3 Trillion**  
\$4k per person



# Challenges in Acquisition & Retention

Despite this significant influence on the market, the industry also faces significant challenges ahead, chief among them being the acquisition and retention of talent with the right skills. Younger employees are seeking personal fulfillment or different jobs in other industries while older employees are retiring in greater numbers every year.

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*“One of the biggest challenges facing the Energy industry is a lack of skilled staff.”*

— **Brunel**

”

Similarly, Bain Consulting reports energy companies need new skills like data analytics, software engineering, AI and machine learning, and environmental expertise.

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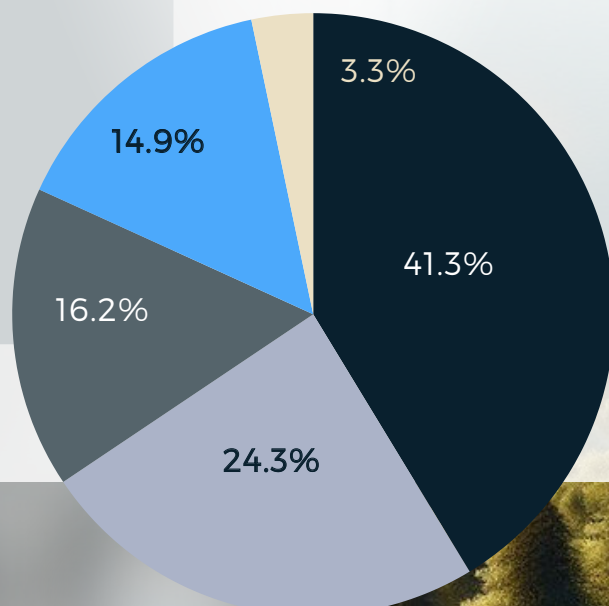
*“As the great retirement continues to cycle out a generation of seasoned experts, companies will rely on a refreshed talent base of more diverse workers—in both skills and identities—to transform the energy sector and our world.”*

— **Bain Consulting**

## Leading Causes of Skills Shortage in the Industry

Data from Brunel Consulting

- Education & Training
- Inadequate succession planning
- Strict immigration laws
- Loss of expertise due to aging workforce
- Other





# Investing in Future Competitiveness Today

## Consider these talent recruiting realities:

- According to Deloitte, **70% of oil and gas executives surveyed said that their companies are facing a skills shortage**, with engineering and technical roles being the most challenging to fill.
- **Of workers in the utilities industry, 50% are set to retire over the next decade** leading to a loss of skilled field technicians, operators, engineers, managers, supervisors, and support staff.
- The nuclear energy industry, according to a Global Energy Talent Index report, has the most sought-after energy workforce with **83% of nuclear workers being headhunted in the last year** and 19% saying they received 11 or more approaches by recruiters – the highest of any sector, with approaches often coming from companies outside the energy industry.
- **Between now and 2030, the clean/renewable energy industry will need an extra 1.1 million workers** to develop and construct solar and wind plants, another 1.7 million workers to maintain/operate them, and 1.3 million ‘white collar’ workers to fill other required roles, per McKinsey & Co.

## The Role of **Relocation**

Energy industry Talent Management and HR teams need to constantly evolve and maximize both relocation benefits efficiency and effectiveness to secure talent and retain employees. Doing so starts with examining the benefits used today and aligning them with the needs of tomorrow.

Working with industry experts, like NEI, to modernize mobility offerings and craft comprehensive, integrated recruitment strategies can lead to an increase in candidate acceptance rates and overall satisfaction throughout their moves.





# Key Findings from NEI's 2023 All Benefits Survey

## Energy & Utilities | Relocation Trends

NEI Global Relocation's 2023 All Benefits Survey found that Energy and Utility (E&U) companies tend to favor a partial lump sum program to cover certain benefits such as travel and temporary living. This benefit was offered by 40-70% of Energy & Utility companies (depending on employee level) as compared to 30-51% of all industries combined.

The E&U participants also lean on a full lump sum program for their entry level employees, offered by 55% of companies as compared to 44% within the general population.

Partial Lump Sums

Energy & Utilities Cos.

40-70%

All Industries Combined

30-51%

Full Lump Sums

51%

Entry Level Positions

44%

Entry Level Positions

## Home Sale Programs

*E&U companies are more likely to offer home sale programs when compared to other industries, possibly indicating significant competition for talent.*

- According to the survey, seventy-four percent (74%) of E&U companies offer home sale incentive programs to executives as compared to 46% in the general population.
- 40% of E&U companies offer home sale incentive programs to Director/VP level employees, compared to 25% in the general population.

Home Sale Incentive Programs

74%

E&U Cos.

46%

Combined



# Key Findings Continued

## Loss on Sale Benefits

### E&U Companies

**74%** **58%**

**Exec.**

**VP/Dir.**

### All Companies

**34%** **26%**

**Exec.**

**VP/Dir.**

## Market Trends & Responses

- A strong sellers' market over the past few years has **caused many companies in multiple sectors to tighten up their home sale programs**, scaling down benefits to save money without significantly impacting employees.
- **E&U companies did not seem to follow suit, maintaining home sale programs that were in place prior to the shift**—suggesting strategic benefit maintenance in a competitive job market, rather than slow adoption of new practices.

NEI anticipates companies re-adopting home sale components as the market begins to change, favoring the buyer, which puts the E&U industry ahead of the curve.

## Reluctance to Increase Certain Offerings

- E&U companies were hesitant to increase their Cost-of-Living Allowance offerings, Mortgage Interest Differential benefits, and Lease Cancellation Benefits, opting to maintain similar programs as those offered pre-Covid.
- Many companies have reviewed and revised policy components to adjust to the changing market. However, E&U companies have chosen to stay the course—waiting for the pendulum to swing back.

## Shift in Policy Types

We are starting to see a shift in policy types with **a noticeable portion of E&U companies adopting commuter, intern, core-flex, and U.S. domestic temporary assignment policies.**

Even with these changes, the **standard tiered policy structures remain in place for nearly 90% of E&U companies.**



# Relocation Assistance for Business Success

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“Energy companies must ... leverage existing knowledge while building a workforce that can address the energy demands of the nation in the future.”

— **Forbes**

## Energy & Utilities | Relocation Trends

The energy industry has a long track record of solving challenges through collaboration. With expense reduction top of mind for many, it is imperative companies identify and address cost savings opportunities. This includes understanding the impact of innovative relocation services, technologies, and expertise in achieving these goals.

***To that end, NEI Global Relocation stands as a strategic partner uniquely positioned to empower Energy & Utility companies in navigating the complexities of today's relocation landscape.***

By choosing NEI as your Relocation Management Company, you gain access to a wealth of industry-specific insights, tailored strategies, and a suite of innovative services designed to optimize relocation processes, enhance employee satisfaction, and contribute directly to your bottom line. Our proven track record, highlighted by our detailed understanding of E&U sector needs as demonstrated in our 2023 All Benefits Survey, ensures that your relocation efforts are not just a response to current trends but a forward-looking investment in your company's competitive edge.

To transform your talent mobility strategy into a powerful tool for securing the best talent and fostering long-term loyalty among your workforce, reach out to your NEI representative.







**NEI**® Global  
Relocation

USA | SWITZERLAND | SINGAPORE

NEI is a certified Women's Business Enterprise headquartered in the U.S. with in-region offices and teams in Switzerland and Singapore. As a full service, global relocation and assignment management company who partners with clients across the globe to provide consultative guidance and solutions. NEI has over 200 clients including many Fortune 500 and Fortune 1000 corporations and we support client Tier 1 and Tier 2 supplier diversity goals each year. For more information and other articles, see [www.neirelo.com](http://www.neirelo.com).

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