

International Association of Drilling Contractors



Workforce Development Committee Meeting

19 April 2017

IADC

10370 Richmond Ave, Suite 760

Houston, TX. 77042

Minutes

12:00 – 12:30	LUNCH
12:30 – 1:00	<p>Welcome, Introductions <i>Angela Murphy, Noble Drilling, Committee Chairperson</i></p> <p>Angela Murphy called the meeting to order. All attendees introduced themselves.</p> <p>Facility Orientation, Safety Briefing, and IADC Antitrust Policy <i>Brooke Polk, IADC</i></p> <p>Brooke Polk provided a facility orientation and reviewed the IADC anti-trust policy.</p>
1:15 – 1:30	<p>Safety Moment</p> <p>Ms. Murphy provided a safety moment about wearing sunscreen.</p> <p>Tina Riddle provided a safety moment about poisonous snakes, which are numerous this time of the year. Houston and Brenham have the best anti-venom supplies. Also, snakes can be prevalent in the bluebonnets</p> <p>Another committee member (Fidel Garcia) provided a safety moment about texting and driving. He was hit while riding a motorcycle by a young woman who was texting and driving. Furthermore, parrot and driving is also bad (Barry Cooper).</p>
1:30 – 2:00	<p>Defining the Ideal Employee Profile and Recruitment Techniques <i>Simone Arceneaux, Pacific Drilling</i> <i>Chris Malloy, Parker Drilling</i></p> <p>Simone Arceneaux presented on behalf of Pacific Drilling regarding a review of her company’s vision and mission, offshore recruiting, how their recruiting program (Project Origin) is structured, and what recruiting is expected to look like in the future. Pacific Drilling, operational since 2010, is an offshore drilling contractor that provides global ultra-deepwater drilling services to the oil and natural gas industry through the use of high-specification drillships. They have experience in Nigeria, US GOM, Brazil.</p> <p>The profile of the “perfect employee” depends on many factors. It starts with the internal structure of the organization and identifying the key positions and critical competencies. Leadership Development and Technical Development are the key areas of “Project Origin,” a term that represents the ultimate goal of zero recordable</p>

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incidents and zero downtime.

Technical knowledge (e.g., identifying and assessing it) is the foundation of Pacific's Technical Development Program. They believe the Leadership Development Program is the differentiating factor in their success.

To bridge the gap between talent acquisition and talent development, they have a three-interview process inspired by *Project Origin*. Each phase of the interview process focuses on different qualities of the individual.

Pacific rolled out this project by starting with certain positions and locations/rigs and then expanding it while integrating their findings and improvements. They created manuals for specific equipment and made the materials available onsite. They identify gaps of departments and then recruit individuals who can fill those gaps.

Their rigs can be fully operational within a 90-day window.

The thought process is that, if they recruit and hire personnel who are highly trained and skilled, then they will have a safer workplace where personnel follow the safety policies and procedures.

Pacific confirms that the training is completed through their robust tracking system. They also had considerable support from their leadership team.

Chris Malloy (Parker Drilling) explained that Parker Drilling is mostly an international land drilling contractor, but they do have some offshore rigs in the GOM. They put a few rigs in the GOM back to work in the first quarter of 2017.

Currently, there may be a hundreds or thousands of applicants for each position. Of those, only four to six will get called for an interview. How far do the resume evaluators (the recruiters) get on a resume before moving on? They look at skills before everything else. Education tends to be further down on the resume now, but of course, it needs to be there. Right now, the skills are the most important aspect of the resume (functional resume).

Recruiters hire from referrals primarily. Sometimes, they look at career sites, job boards, and agencies. There is a huge lack of talent (a skills gap) because so many people have left the industry.

To set yourself apart from other applicants, provide your total number of years of experience upfront. You must also take "word matching" into consideration. Recruiters type in words and pull up all the candidates that have those words in their resumes. The words they are looking for must be included in your resume in order for your resume to show up in such a search (e.g., types of experience, rigs you have worked on, your safety record, your certifications and when they expire, what companies you have worked for before, and then your education). Companies you have worked with before and the countries you have worked in may also be important because of the need to fill a position working for a specific operator or in a specific region of the world. You

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	<p>must also network and keep your credentials up to date.</p> <p>During the interview process, be prepared to speak about specific incidents that have occurred on rigs where you have worked. Honesty is important, and a clear understanding is important. Expect to be asked your “philosophy on safety.”</p> <p>When you go for the interview, bring your certificates (e.g., well control) and awards. Note: Being an Eagle Scout can almost guarantee you a job. Also, be prepared to discuss your driving record. Finally, recruiters know which companies have good safety records and which do not.</p> <p>In addition to operational questions, recruiters do incorporate behavioral questions into their interviews.</p> <p>What type of words would companies be looking for on an entry-level resume? They look for transferable qualities (e.g., safety experience/record, military experience, former athletes, people with experience that proves their ability to work successfully in a team or be able to take direction). Also, coursework that aligns with the competences.</p>
<p>2:00 – 2:45</p>	<p>Collaboration to Find Ideal Employees: Career Services <i>Shortel Brent and Tina (Dealy) Riddle, Lone Star College</i></p> <p>Lone Star spends some of their focus on preparing Millennials to work with other generations. They also give them real life experience out on rigs.</p> <p>Lone Star has a centralized department for student job placement (e.g., career fairs, pre-screening for certain careers). They monitor attendance, for example, so they can prove to companies that a student has some ability to commit and be reliable. They also make an effort to match a student to a company culture. Companies are required to interview every student, but they cannot take the student until the student finishes. Lone Star does not give the students their IADC certificates until they have completed the entire course because they need the student to complete the entire course content. Lone Star also teaches the students how to act and speak during an interview. They instill in them the safety training that will carry over to the workplace. Their program is similar to a para-military program.</p> <p>Spring 2016 saw 3,670 graduates who completed workforce programs with more than 1,355 hours of hands-on training.</p> <p>The State of Texas is also willing to help to pay for students to go through a program like Gateway (an 8-week, 40-hr per week program). The tuition is \$4,000 per student, and Lone Star is working toward getting Texas to pay half of the tuition for each student.</p>
<p>2:30 – 2:50</p>	<p>BREAK</p>
<p>2:50 – 3:45</p>	<p>Employee-Related Risk Management: Joint Employers and Temporary Workers <i>Ken Bullock, Munsch Hardt Kopf & Harr, P.C.</i></p>

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Mr. Bullock provided an example regarding a company named Browning-Ferris Indus. of California (BFI) working with a staffing agency. The temporary (agency) employees decided they wanted to unionize. BFI attempted to thwart their efforts to unionize. The National Labor Relations Board (political appointees) was brought into the situation and had to decide who the employer actually was (BFI or the staffing agency). NLRB decided both companies had some responsibility, now called “joint employers” because they had “indirect control and reserved contractual authority over borrowed employees.” This overturned 30 years of precedent involving direct and immediate control. Now, these cases are considered case-by-case involving whether a borrowing employer retained the right to control hiring, wages, discipline, and supervision.

This case as made it more difficult for judging legal issues with joint employers. BFI appealed the decision. Several other groups have filed “amicus” briefs on the case, briefs from outside groups that could have a stake in the decision.

Trump can appoint new members to the NLRB, who would have to go through Senate confirmations. However, the legal community does not expect the law to change in the next year because of the time it will take to get a new NLRB in place and because the NLRB only sees certain kinds of cases.

The implications beyond collective bargaining involve contractors/subcontractors and franchisees/franchisors. They also involve the DOL and Fair Labor Standards Act, adoption of the NLRB Joint-Employer test, misclassification and overtime/minimum wage, and OSHA enforcement.

Companies are urged to require employers to require their contract employs to formally agree to their policies.

Question: Who would be considered the employer in a franchise situation? For example, who enforces the Family Medical Leave Act?

Answer: OSHA recently drafted a memo for franchisees about joint employers. If an employer receives an OSHA violation, the corporate office can also be cited.

OSHA also has a Multi-Employer Enforcement Policy that categorizes possible employers in hazardous conditions (creating, exposing, correcting, and controlling the situation). OSHA now targets both the borrowing and the lending employers.

OSHA’s policy guidance documents target “temporary workers.” They look at who has the responsibility for recordkeeping and reporting, as well as safety.

In Summer 2016, OSHA released its Final Rule on Reporting (annual electronic reporting, publically available accident/injury information, to “publically shame” employers). Another part of the Final Rule was regarding retaliation (creating unreasonable reporting procedures, safety incentive plans, post-incident drug testing [which could be considered retaliation for reporting an incident]). If a post-incident drug test is not required by law, then it is now considered retaliation unless you have a reason to believe that impairment caused the incident. Safety incentive programs can also be considered retaliatory (e.g., you get a bonus if you do not report an incident

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because you are rewarding employees who do not report anything).

Question: Does BSEE have a similar standard for offshore?

Answer: They do not publically shame companies who have been cited.

Also interesting is that OSHA says companies are not in violation of HIPAA laws when they report accident results. There is some confusion around this.

OSHA is now encouraging companies to be more forward-looking with your safety plans.

There are three levels of OSHA penalties (no fine types, near miss types, and potentially serious incidents). If a company has another “serious violation” within the next 5 years, then there can be criminal indictments. Contractors are required to report all serious violations to the companies for which they are applying to work.

Mr. Bullock also mentioned the problem of monitoring silica exposure at mobile worksites.

OSHA 2016 “Final Rule” and Retaliation: Retaliation now may be considered when employers create unreasonable reporting procedures, enforce safety incentive plans, or perform post-incident drug testing.

December 2015 (Yates) Memorandum: "Americans should never believe ... that one's criminal activity will go unpunished simply because it was committed on behalf of a corporation." Federal prosecutors should look for ways to charge a variety of felonies in routine worker safety cases. Yates was fired January 30, 2017, for publically refusing to enforce Trump administration's executive order on immigration from select countries. The new AG (Sessions) may change the Yates Memorandum.

On April 12, 2017, a company in Massachusetts was charged with 18 willful, serious violations, \$1.47 million penalty, and two manslaughter indictments for “failing to provide basic safeguards against [the trench] collapse and for “not training its employees to recognize and avoid cave-in and other hazards.”

There are also insurance issues now with contract employees. Who is responsible for insuring these people? Mr. Bullock recommends that we all review our contracts and what we list as our “right of control.”

Dealing with OSHA Inspections: The priorities are now imminent danger assessment, catastrophe/fatality investigation, worker complaints, and targeted national emphasis programs.

Why is all of this information important? Mr. Bullock explained that changes in the following areas are making make these issues particularly important:

- Changes in the industry workforce: Flexible staffing—increased reliance on temporary workers; Attempted outsourcing—compliance issues.
- Changes in litigation efforts: Fair Labor Standards Act—wage, hour, and exemptions; Misclassification—employee or independent contractor.

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What can employers do to minimize the risks?

- Insurance options—Staffing company coverage; Borrowing employer/host coverage.
- Contracting options—Allocation of responsibilities for worker safety; Indemnification; Enforceability.

Dealing with OSHA Inspections:

- Priorities:
 - ✓ Imminent Danger Assessment.
 - ✓ Catastrophe/Fatality Investigation.
 - ✓ Worker Complaints.
 - ✓ Targeted National Emphasis Programs.
- CSHO must:
 - ✓ Present credentials.
 - ✓ Define scope.
 - ✓ Allow employer representative to observe.
- CSHO May:
 - ✓ Observe, photograph, and sample.
 - ✓ Interview employees and take statements.
 - ✓ Review records and request documents.
- Closing Conference:
 - ✓ Note violations and nature.
 - ✓ Identify possible abatement measures and deadlines.
 - ✓ Non-retaliation rules.

Dealing with OSHA Citations:

- Citation and Notification of Penalty:
 - ✓ Violations and Penalties.
 - ✓ Abatement.
 - ✓ Posting/Notification.
- "Serious"—Substantial probability of death or serious harm.
- "Other than Serious"—Probably not cause death/harm.
- "De Minimis"—no immediate concern.
- "Repeated"—If cited within 5 years for substantially similar violation.
- "Willful"—Intentional disregard or plain indifference. Possible criminal charges.
- Informal Conference:
 - ✓ Explain violations/standards.
 - ✓ Discuss abatement.
 - ✓ Negotiate settlement.
- Accept or Contest?
 - ✓ Notice of Contest served within 15 working days.
 - ✓ Sec. of Labor files Complaint within 20 days.
 - ✓ Employer files Answer within 20 days.
- Contest: Defenses
 - ✓ Isolated Employee Misconduct.
 - ✓ Impossibility/Greater Hazard.

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	<ul style="list-style-type: none"> ✓ Infeasibility of Abatement. ✓ Dispute Multi-Employer Status. • Practical Guidelines for OSHA Inspections: <ul style="list-style-type: none"> ✓ Be proactive: Pre-Inspection Planning ✓ Identify standards. ✓ Prepare for Unscheduled Inspections. ✓ Inspection Response Team. • Inspection Response: <ul style="list-style-type: none"> ✓ Request time for counsel or HSE to accompany. ✓ Consider demanding warrant. ✓ Shadow CSHO and duplicate. • Inspection Interviews: <ul style="list-style-type: none"> ✓ CSHO can interview employees privately. ✓ Employee can request counsel. ✓ No requirement for signed statement. • Informal Conference is critical: <ul style="list-style-type: none"> ✓ Only chance to discuss Citation informally. ✓ Discuss applicability of standards. ✓ Abatement assistance. ✓ Negotiate settlement. <p>Editorial comment from the group: In truth, some of the positions are counterproductive because we become more liable as we provide more safety training to contractors. Contractors have become too expensive because of the liability they introduce.</p>
<p>3:45 – 4:15</p>	<p>IADC Updates <i>Patty Tydings</i></p> <p>Patty Tydings presented information about the new Train-the-Trainer accreditation program, the curriculum for which will be distributed to the Workforce Development Committee, the HSE Committee, and the Well Control Committee for comment and vote. This new course will be a requirement for WellSharp, RigPass, and Crane-Rigger instructors.</p> <p>Mrs. Tydings reported on the following:</p> <ul style="list-style-type: none"> • Development of the Well Servicing courses that will convert the Fundamental and Supervisory levels of WellCAP to WellSharp. • Progress toward processing applications under the new Crane-Rigger program.
<p>3:45-4:00</p>	<p>Future Meeting Topics / Next Meeting <i>Angela Murphy</i></p> <p>Attendees discussed the topic of “diversity programs” for the next meeting on July 19, 2017.</p>
<p>4:00</p>	<p>ADJOURNMENT</p> <p>Angela Murphy adjourned the meeting.</p>

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Attendance:

Name		Company Name
Ludmila	Paul	ATLANTICA MANAGEMENT
Austa	McKendrick	ATLAS KNOWLEDGE GROUP
Meta	Rousseau	BLACKHAWK SPECIALTY TOOLS
Sean	Sullivan	ENSCO PLC
Crystal	Sherman	ENSCO PLC
Fidel	Garcia	FALCK SAFETY SERVICES
Jessica	Selvidge	FALCK SAFETY SERVICES
Brandon	Patterson	HOUSTON COMMUNITY COLLEGE
Kristin	Blissit	IADC
Brooke	Polk	IADC
Patty	Tydings	IADC
Ryan	Mahoney	IADC
Tina	Dealy	LONE STAR COLLEGE
Shortel	Brent	LONE STAR COLLEGE
Ken	Bullock	MUNSCH HARDT KOPF & HARR
Brandon	Grosvenor	NATIONAL OILWELL VARCO
Angela	Murphy	NOBLE DRILLING SERVICES INC.
Andrew	Warren	NORTHWEST TECHNICAL SOLUTIONS
Simone	Arceneaux	PACIFIC DRILLING
Steve	Thomas	PACIFIC DRILLING
Scott	Randall	PLUS ALPHA RISK MANAGEMENT
Rick	Sperandio	REACH
Eliot	Doyle	ROWAN COMPANIES
Larry	Schmermund	SMITH MASON & COMPANY, LLC
Barry	Cooper	WELL CONTROL SCHOOL
Vicki	Watkins	WEST TEXAS TRAINING CENTER

All meetings must have a written agenda that is circulated prior to the meeting. Attendees must strictly follow the agenda. Topics not on the agenda must be deferred until a later meeting. Meeting minutes will be posted on the Committee's website following endorsement by Committee leadership and meeting attendees. Attendees should be aware that: 1. There may be audio recordings of meetings, for purposes of facilitating capture of meeting minutes; and 2. The final published minutes will include a record of who attended the meeting. The audio recordings shall be destroyed immediately following endorsement of the minutes. IADC Committee activities are governed by IADC's Antitrust Policy and Guidelines. [Click here for information on the policy and guidelines.](#)