Project Report
Of BUS 498

Human Resource Activities of CHEVRON

Prepared for

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Prepared by

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2004-2-10-029

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Letter of Transmittal

August 18, 2008

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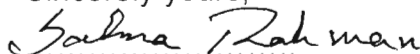Subject: Submission of project report (BUS 498).

Dear Sir:

I am the student of BUS 498. You permitted me to conduct a project report on the topic "Human Resource Activities of Chevron". You instructed me to submit it on August 18, 2008. I would like to inform you that I have collected data by discussion with the personnel of human resource department of Chevron and prepared a report based on the findings. I am presenting the project report to you for your consideration.

I have tried my level best to make the report as accurate as possible. I have given my best efforts in preparing this project report. I hope that you will consider it and oblige thereby.

Thanking you.

Sincerely yours,

Salma Rahman
Id# 2004-2-10-029

Acknowledgement

It really was a great challenge for me to prepare such a unique sort of report. First of all, I present my due regards to the Almighty, who has provided me the brilliant opportunity to work hard and complete this project report successfully with good health & sound mind.

My course instructor, M. Sayeed Alam, Assistant Professor, Department of Business Administration, East West University helped me all the way through. As the topic is a bit unique one for me, he also gave proper guideline about this project report and also by not getting irritated with my unlimited questions. I really want to express my gratitude to him for giving valuable advice and time, which helped immensely in preparing this report.

I also want to give a special thanks to Shakera Sultana Jannath, the Field HR Administrator, Chevron Bangladesh, for her kind cooperation by giving me the valuable information. I also like to thank those of my friends who helped me in preparing this project report.

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Executive Summary

Chevron is one of the world's largest integrated energy companies. They strive for a working environment where the opportunity exists for all individuals to play their full part in adding value to the business and to make the most use of their potential. Chevron tries to attract the type of talented candidates who can feed the management pipeline of the future. Extensive training and consultative processes strive to create a climate that is welcoming to and supportive of all candidates.

Chevron's selection process follows the recruitment of pool of job applicant. Chevron uses interviews as a selection device for most jobs. Chevron's training enriches job related skills and also facilitates acquiring of new skills required for averting skill obsolescence in an organisation. After every six months, Chevron conducts development meeting. This meeting is done by staff members and managers based on Chevron Competencies to establish development plan.

Chevron's performance appraisal helps in deciding about training requirements for an organisation and it reinforces training activities. Chevron is committed to maintain the highest standards of corporate social responsibility in its business activities. Responsibility for compliance with Chevron's Security Policy and standards lies with the Chief Executive, Directors, Managers and their staff.

Introduction

Human resource managers perform an identifiable set of activities that affect and influence the people who work in an organization. These activities include HR planning, job analysis, recruitment, selection, training, development, performance appraisal, compensation systems, labor relations etc. Chevron is one of the world's largest integrated energy companies. It has also the need for recruiting people and for that purpose they have a recruitment process, selection process, training, development, performance appraisal of their own.

Origin of the Term Paper

This project report has been prepared for the "Project Work" (BUS 498) of the Business Administration Department of the East West University. My course instructor M. Sayeed Alam has assigned me this report. He has authorized the task of preparing this project work on an individual basis. The project work was assigned after the 1ST mid term and was on due on 22 August,2008.

Objective of the Term Paper:

The main objective of the project report is to make an overview of the Human Resource activities of Chevron. In additional to serve this purpose it tries to know about how the organizations recruit manpower for them and which process they follow, which method they use for selecting the right candidates, various kinds of training methods they are providing for their employees, development ideas, performance appraisal of the employees, Health, Safety & Environment policy, Security policy, Corporate Social responsibility policy etc.

Scope of the Term Paper:

In the project report, I have given the basic ideas regarding the Recruitment process, Training & Development, Performance appraisal, Health, Safety & Environment policy, Security policy, Corporate Social responsibility policy of an Oil & Gas company named 'Chevron'. But I could not get into the details of every aspect of the human resource activities. It is a qualitative research, so I collected data form various documents, websites and Books.

Methodology:

For this project report I have collected data and information from various sources such as websites, books, various documents and discussing with organizational people etc. The primary data I have gathered from interviews. Secondary data source comprised of relevant books, various documents, lecture notes, websites etc.

Limitation:

It is quite impossible for me to prepare a report without limitations. I had to depend heavily on secondary data. I prepared the project report during my ongoing job, thus facing serious time constrains.

About Chevron

Chevron is one of the world's largest integrated energy companies. Headquartered in San Ramon, California, It conducts business in more than 180 countries. Chevron is engaged in every aspect of the oil and natural gas industry, including exploration and production, manufacturing, marketing and transportation, chemicals manufacturing and sales, geothermal, and power generation. Chevron is also investing in renewable and advanced technologies.

Vision

At the heart of The Chevron Way is the vision... to be *the* global energy company most admired for its people, partnership and performance.

Chevron's vision means they:

- provide energy products vital to sustainable economic progress and human development throughout the world;

- are people and an organization with superior capabilities and commitment;

- are the partner of choice;

- deliver world-class performance;

- Earn the admiration of all our stakeholders – investors, customers, host governments, local communities and our employees – not only for the goals we achieve but how we achieve them.

Values

Chevron Company's foundation is built on their values, which distinguish them and guide their actions. Chevron conducts its business in a socially responsible and ethical manner. Chevron respects the law, support universal human rights, protect the environment, and benefit the communities where they work.

Integrity

Chevron is honest with others and themselves. Chevron meets the highest ethical standards in all business dealings. Chevron does what it says it will do. They accept responsibility and hold themselves accountable for their work and their actions.

Trust

Chevron trust, respect and support each other, and they strive to earn the trust of their colleagues and partners.

Partnership

Chevron has an unwavering commitment to being a good partner focused on building productive, collaborative, trusting and beneficial relationships with governments, other companies, their customers, their communities and each other.

Diversity

Chevron learns from and respects the cultures in which it works. It values and demonstrates respect for the uniqueness of individuals and the varied perspectives and talents they provide. Chevron has an inclusive work environment and actively embraces a diversity of people, ideas, talents and experiences.

Ingenuity

Chevron seeks new opportunities and out-of-the-ordinary solutions. They use their creativity to find unexpected and practical ways to solve problems. Chevron experience, technology, and perseverance enable them to overcome challenges and deliver value.

Protecting People and the Environment

Chevron places the highest priority on the health and safety of our workforce and protection of our assets and the environment. It aims to be admired for world-class performance through disciplined application of its Operational Excellence Management System.

High Performance

Chevron is committed to excellence in everything they do, and they strive to continually improve. They are passionate about achieving results that exceed expectations — Chevron's own and those of others. They drive for results with energy and a sense of urgency.
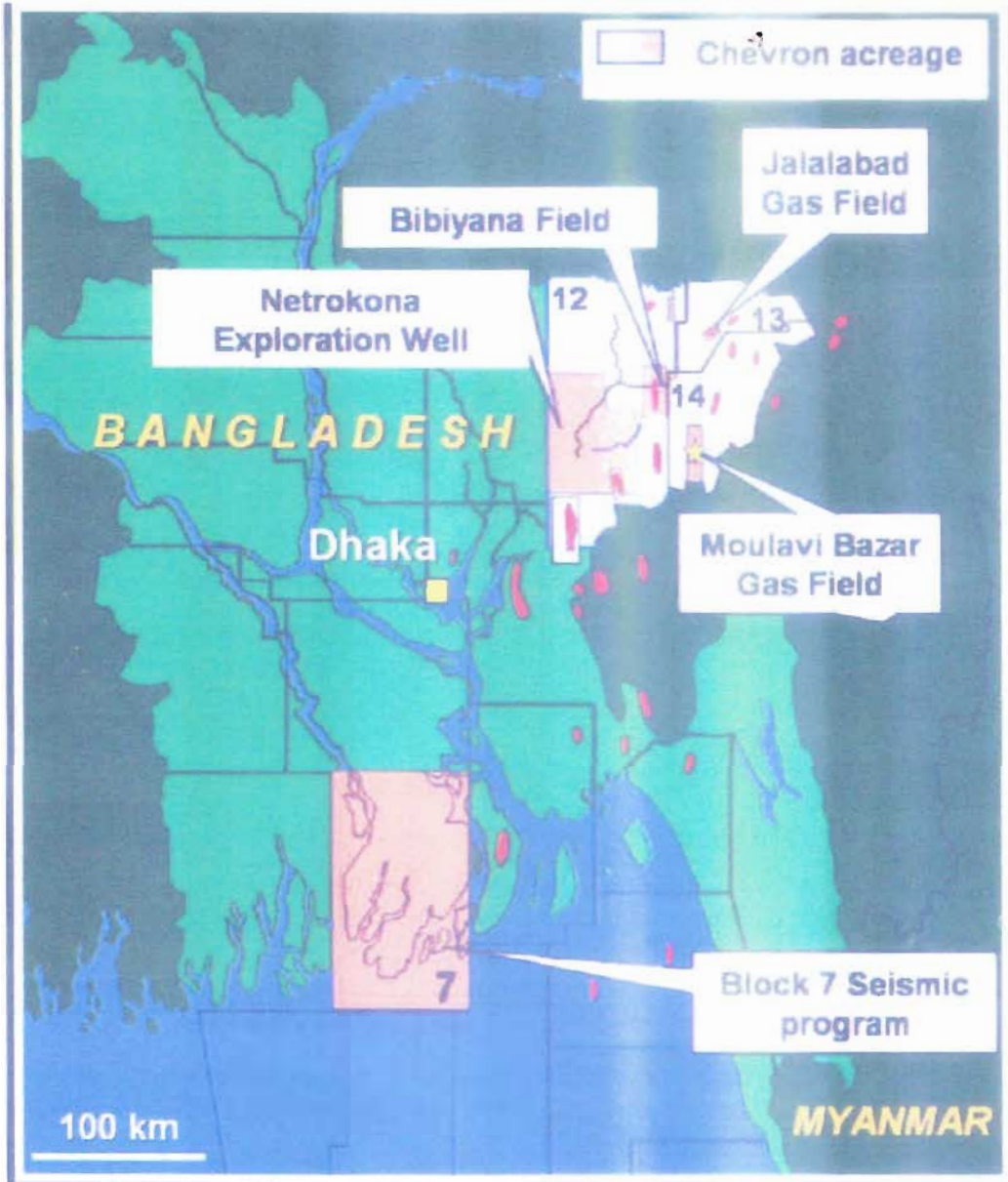
Chevron's major area of activities in Bangladesh

Exploration and Production

In Bangladesh Chevron is mainly active in oil and gas exploration and production and provide gas to Petrobangla. The company is currently producing natural gas from Jalalabad, Moulavi Bajar and Bibiyana fields. And in Bangladesh around 3000 people work with Chevron.

Chevron is meeting around 35% natural gas need in Bangladesh. The demand is 1900mcft and the supply of gas is 1750mcft and chevron provide 550mcft to Petrobangla

Producing Natural Gas in Jalalabad

Chevron operates the Jalalabad gas field, which is located in green and hilly northeastern Bangladesh. The company has a 98 percent interest in the production-sharing contract covering the Jalalabad Field, which lies in Block 13. The processed natural gas is transported by pipeline to Petrobangla. Condensate from the field is used to make products such as gasoline and diesel fuel.

Since its inception in 1999, Jalalabad has doubled its production to meet the growing energy demand in the country. The field, which sits in Block 13, has also become one of the most cost-effective sources of energy for Bangladesh, producing near full capacity since 2001.

Delivering Efficiently in Moulavi Bazar

Chevron produces natural gas from the Moulavi Bazar Field, which is located in Block 14 in northeastern Bangladesh. A production-sharing contract with Petrobangla provides Chevron with a 98 percent interest in the field.

Chevron operates the Moulavi Bazar Field, which has been producing near full capacity since 2005.

Innovation to Work in Bibiyana

In March 2007, Chevron capped a major two-year development program by launching production from the Bibiyana natural gas field, located in northeastern Bangladesh.

The project has developed into one of the most significant natural gas field discoveries in Bangladesh in terms of both quality and size of the reserve, which was discovered in 1998. Chevron signed a gas purchase and sales agreement with Petrobangla in 2004. Chevron operates Bibiyana and holds a 98 percent interest in the production-sharing contract covering Block 12, in which the field is located.

For the first time in Bangladesh, Chevron applied 3-D seismic and thin-bed imaging technologies to determine reserves. Total development cost for the project, including 12 development wells, is approximately $245 million. The development program included a gas processing plant with a capacity of 600 million cubic feet per day and a natural gas pipeline to connect the field to the national natural gas transmission grid.

From startup in March until the end of 2007, total daily production from Bibiyana averaged 237 million cubic feet of natural gas. The project is expected to reach 500 million cubic feet per day by late 2010.

Five new development wells were drilled and completed in 2007, and the gas plant was commissioned.

Exploring Block 7

Chevron has a 43 percent stake in the production-sharing contract covering Block 7, which lies in the southwest region of Bangladesh. Chevron operates the project. In 2006, Chevron completed a seismic survey and continued exploration activities.

Pipelines Connecting Supply and Demand

Chevron operates a 27-mile (43-km) natural gas pipeline, which connects the Bibiyana Field to Petrobangla. Its construction required to overcome a number of challenges, among them the weather.

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Role of HRM in Strategy Formulation of Chevron

A firm's strategic management decision-making process usually takes place at its top levels, with a strategic planning group called BLT (Bangladesh Leadership Team) consisting of –

- Director of HR & Admin
- Director of Operations
- Director of Finance
- Director of Legal
- Director of IT
- Director of Sub-surface & Exploration

Among them President is the leader.

Each Director of component of the process involves people related business issues. Therefore, the HRM function needs to be involved in each of those components.

Two-way linkage seems to exist between the HRM function and the strategic management function of Chevron. It allows HR issues during the strategy formulation process.

First, Chevron's strategic planning team develop business plan which focus the major objective of the organization. On the basis of that they develop their HR plan to attain the business objective. The strategic planning team informs the HRM function of the various strategies the company is considering.

Then HRM executives analyze the HR implications of the various strategies, presenting the results of this analysis to the strategic planning team. HR manager compels all the data and present to BLT (Bangladesh Leadership Team)

Each department head have to justify and defend their logic to the members of the BLT. Top management individually discusses with the BLT members regarding their business plan. Then the resource plan come out.

Finally, after the strategic decision has been made, the strategic plan is passed on to the HRM executives, who develops programs to implement it.

Recruitment

Recruiting is the process by which organizations locate and attract individuals to fill job vacancies. Most organizations have a continuing need to recruit new employees to replace those who leave or are promoted, to acquire new skills, and to permit organizational growth.

Recruiting is an even more important activity when unemployment rates are low and economic growth is strong, as firms compete to attract the qualified employees they need to succeed. It can be quite expensive.

A firm can generate candidates internally, from among its present employees who desire promotion or transfer, or externally, from the labor market. The organization then screens the candidates, evaluates some of them more thoroughly, and offers the best the position.

Throughout the recruitment process, the organization attempts to "sell" itself to the more promising candidates—that is, to convince them that the organization is a good place to work and that it offers what they want in the way of both tangible and intangible rewards.

Candidates searching for an employer go through a parallel set of activities—first acquiring occupational skills and experience, next searching for job openings through a variety of methods; and then applying for jobs that appear to be a suitable match for their qualifications.

As the process continues, applicants attempt to "sell" organizations on their abilities while at the same time collecting information that allows them to evaluate companies and jobs. Eventually, they decide to accept or reject job offers.

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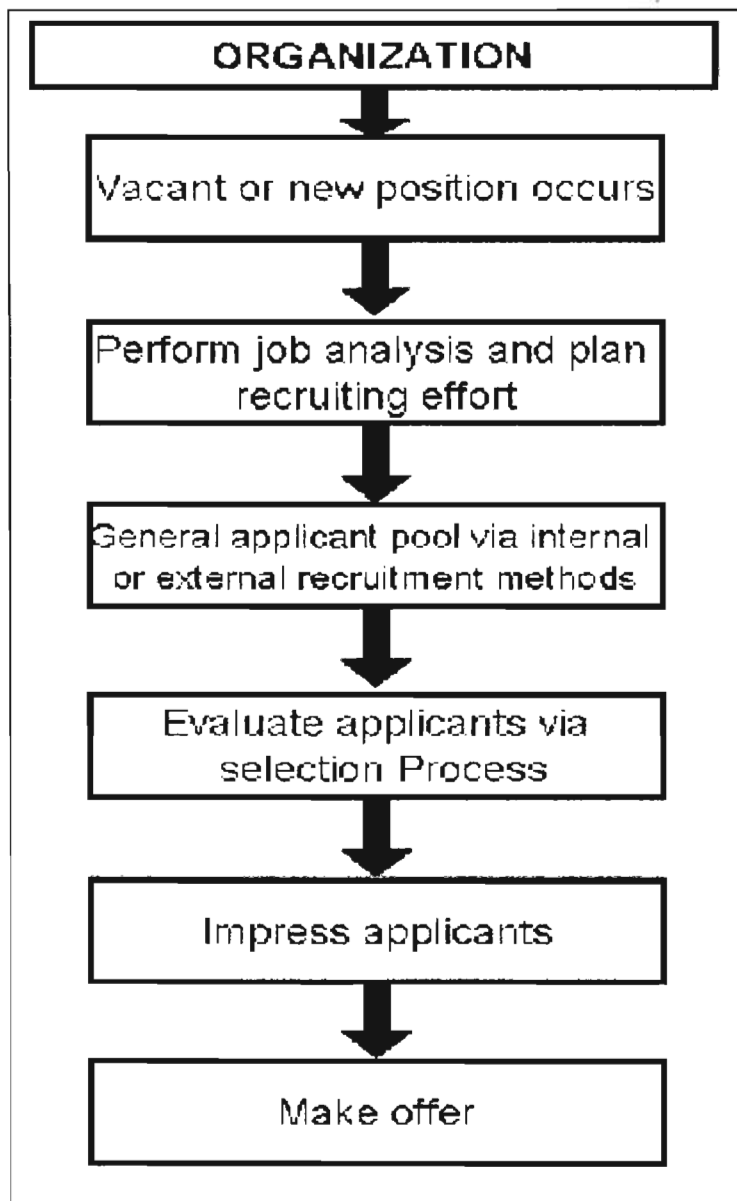
In the recruitment and selection process, the organization's and the individual's objective may conflict. The organization is trying to evaluate the candidate's strengths and weaknesses, but the candidate is trying to present only strengths. Conversely, although the candidate is trying to ferret out both the good and the bad aspects of the prospective job and employer, the organization may prefer to reveal only positive aspects. The organization wants to treat the candidate well to

increase the probability of job-offer acceptance, yet the need to evaluate the candidate may dictate the use of methods that may alienate the prospect, such as background investigations or stress interviews.

Recruitment Goals and priorities of Chevron

- Attract highly qualified applicants
- Attract applicants willing to accept offers
- Fill vacancies quickly
- Fill vacancies at minimal cost
- Hire people who perform well
- Hire people who will stay with organization
- Generate positive public relations "spillover"

Chevron's Recruitment Philosophy

➢ One of the key issues in Chevron's recruitment philosophy is whether to promote largely from within the organization or to hire from the outside for vacancies at all levels.

➢ A second aspect of recruitment philosophy concerns where the emphasis is: on merely filling vacancies or on hiring for long term careers.

It depends. But Chevron mostly gives emphasis on merely filling vacancies. The organization seeks people with skills sufficient for present vacancies. Chevron tries to attract the type of talented candidates who can feed the management pipeline of the future.

➢ A third aspect of recruitment philosophy concerns depth of commitment to seeking and hiring a diverse range of employees. Extensive training and consultative processes strive to create a climate that is welcoming to and supportive of all candidates.

➢ A fourth aspect of recruitment philosophy is whether applicants are viewed as commodities to be purchased or as customers to be wooed.

Chevron considers their applicants as customers to be wooed.

➤ A fifth aspect of recruitment philosophy has ethical overtones, in terms of fairness and honesty in the recruitment process

➤ Equal Employment Opportunity with the age, sex, race, country etc is the aspect of Chevron's recruitment philosophy.

Internal or external sources:

Deciding whether the position is to be filled internally or externally is often an early task in recruitment planning for a specific vacancy. Entry level jobs must be filled externally, but for other positions, the company's policy or union contract may require that internal source be used first.

Most organizations use a mixture of internal and external sources-promoting from within when qualified employees are available and recruiting, from external sources when new skills are needed or growth are rapid.

Chevron uses both internal and external sources for the purpose of recruitment of their all levels of employees.

Lower level or operational level: Chevron normally out source their operational level employees to keep minimum manpower in their organization e.g. driver, security, labors all are outsourced.

Entry level: For entry level posts they go for external sources. They use advertising in newspaper and internet.

Mid level: For mid level posts Chevron uses both internal and external sources. At first they try for internal sources by giving internal circular for the post. if not found then they go for external recruitment by giving advertisement in Newspaper, websites etc.

Top level: Chevron uses head hunting agencies and International newspaper advertisement mostly for specialized expatriates for oil and Gas Company.

Chevron fills vacancies internally whenever possible. A number of internal recruiting methods are used for different levels of jobs.

Lower level jobs such as, manual and clerical jobs are often called non exempt jobs because their incumbents are not exempt from the minimum wage and overtime provision of the fair labour standards Act.

These people typically are paid an hourly wage. In contrast, higher-level administrative, managerial, and professional employees are paid on a salary basis and are exempt from the overtime provision of the fair labour standard Act.

Internal Recruiting for Nonexempt Positions:
Chevron outsources operational workers like security, labour, and driver except clerical positions for the nonexempt positions. Clerical positions are hired by giving advertisement. They do not recruit workers internally for nonexempt positions.

Internal Recruiting for Exempt Positions:
Through internal circular Chevron recruit employees for exempt positions.

Each type of sources has some advantages and disadvantages.

Advantages of Internal Recruiting:

- When internal recruiting is used, the vacancy is filled by a person of known ability. Since the employer has observed the employee in one position, there is less guesswork involved in assessing his or her suitability for a second position. In contrast, assessments of external recruits are based on less reliable sources, such as reference, and on relatively encounters, such as interviews.

- Another advantage of promoting from within is that doing so motivates current employees. Skilled and ambitious employees are less likely to quit and more likely to become involved in developmental activities if they believe that promotion is likely.

- Also training and socialization time is reduced when openings are filled internally because a current employee has less to learn about the organization and its idiosyncratic procedure than a newcomer.

- Recruiting may also be faster and less expensive if an internal candidate can be found.

- Finally, in times of impending retrenchment, filling as many jobs as possible internally maximizes job security for present employees.

Disadvantages of Internal Recruiting:

- If the organization is expanding rapidly, there may be an insufficient internal supply of qualified individuals above the entry level. This situation may result in people's is being promoted before they are ready or not being allowed to stay in a position long enough to learn how to do a job well.

- Also, when one vacancy is filled internally, a second vacancy is created- the position of individual who was promoted or transferred to fill the first vacancy. If this slot is also filled internally, then another vacancy occurs. This movement of personnel is called the *ripple effect.*

- Another disadvantage of internal recruiting is that some organizations, internal recruiting procedures are extremely cumbersome. They may involve a bureaucratic nightmare of forms, waiting times, eligibility lists, and recruitment of permission to interview from the candidate's current superior.

- Another disadvantage of internal recruiting is that an organization can become in bred and lose flexibility if all its managers are homegrown.

- Finally meeting affirmative action goals usually can be accomplished only by aggressive external recruiting.

Advantages of External Recruiting:

⊠ External recruiting can bring in new ideas and viewpoints, avoid the confusion that accompanying the riffle effect, meet affirmative goals, and cope with the demands of rapid growth without overusing inexperienced personnel.

⊠ Another advantage may be saving in training costs. Hiring experienced workers away from other companies may cut down on the need for a comprehensive training development program in-house.

⊠ Finally, there may be instances that require a severe shakeup or turnaround. Particularly at the upper management level, an outsider with no prior commitment to present employees or on going projects may be the only individual with enough objectivity (and even ruthlessness) to bring about needed changes and enunciate a new vision for the organization.

Disadvantages of External Recruiting:

▶ One disadvantage of the external recruiting is the cost. Because the external labor market is much larger and harder to reach than the internal one, recruiting externally usually takes longer time and costs more.

▶ With external recruiting, there is also the risk of hiring a candidate who does not live up to the apparent high potential displayed during the selection process.

▶ Finally, too much external recruitment is discouraging to current employees because it reduces their change to move up in the organization.

Chevron

Recruitment Information and Resume-Tracking System of Chevron:

Before beginning to recruit candidates, the HR professional have a system for tracking applicants as they move through the recruitment and selection process. The system must be manual or computerized depending on the number of applicants' handled.

Chevron uses manual system and computerized system.

The recruitment information system of Chevron is able to generate reports on applicant characteristics to determine whether adverse impact is occurring or affirmative action efforts have broadened the applicant pull as intended. The statistics generated covers the percentages of black, other monitory and female applicants to various job categories.

The recruitment information system is also able to provide data necessary to calculate yield ratios, average time from first contact to first day on the job, and other indices helpful in planning and evaluating recruiting.

The computerized recruitment system that Chevron make their recruitment process faster as the pace of recruiting and the volume of applicants received have sky-rocketed with the spared of internet recruiting.

Through computerized system recruiters can quickly screen out resumes of the many individuals who are not qualified and to enable a very fast response to the most promising candidates. The best candidates may be hired by some one else unless a telephone interview is arranged within 24-72hours of the electronic submission of a resume.

In past few years resume tracking software programs such as Restrac, Recruit-soft , and Resumix have been develop to store and search resume electronically. By using these software programs Chevron can track resume and store recruitment information quickly and in an efficient manner.

Chevron's Formal   Method of Recruiting:

Chevron goes through formal method for the purpose of recruitment. Formal method of external recruiting search the labor market more widely for candidates with no previous connection to the company. These methods include—

- Internal Circular
- Local newspaper
- Posting jobs on Internet,
- Either on companies own site or commercial job site

Selection:

Selection follows the recruitment of pool of job applicant. The selection process involves assessing the applicants to decide who will be hired. Ideally the people who are hired will be better employees, on average, than those who are rejected. If the selection devices used to assess applicants have been chosen and validity properly this goal should be realized.

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Process of Selection:

Chevron uses more than one selection device to gather information about applicants. Candidates must do well on an earlier selection device to remain in the running and be assessed by later devices.

HR department use some sequences for the selection process. The process start from the application blanks (cv) then two or more managers or supervisor take interview and chose from among short listed candidates. Sometimes they check reference by informing the candidates, make offers, physical examinations are completed and hiring is finalized.

Chevron also sends regret letter to the candidates who are disqualified.

Test:

All recruitments are subject to reference & Pre-employment medical test. Tests are standardized in content, scoring, and administration.

All test takers get the same instruction, have the same length of time to work, and take the test under similar condition. Because tests are standardized, they provide information about the candidates that is comparable for all job.

Interview:

Virtually Chevron uses interviews as a selection device for most jobs. Most commonly, candidates are interviewed by at least three people before being offered a job. Typically an HR specialist and the individual who will be the candidate's immediate supervisor conduct these interviews.
- Chevron's interview process is very much exhausted
- Their interview process is consensus or agreement between two interviewers on their assessment of the same candidate that indicate the interview is more reliable.
- They follow structure interview like their questionnaires, pattered of question then judgments all are structured.

Validity of the Interview:

It seems that interviewers often commit judgmental and perceptual errors that can compromise the validity of their assessment

** Similarity Error:
Interviewers tend to be positively predisposed toward candidates who are similar to them. They tend to be negatively disposed toward candidates who are unlike them.

** Contrast error:
When several candidates are interviewed in succession, raters tend to compare each candidate with the preceding candidates rather than with an absolute standard.

** Overweighting of Negative Information:
Interviewers tend to see their job as a search for negative or disqualifying information about candidates. They may overreact to single minor piece of negative information.

** First Impression error:
Interviewers tend to form a first impression of candidates rather quickly, based on a review of the application blank or on the first few moments of the interview. The initial judgment may be resistant to change as more information or contradictory information is acquired

** Traits Rated & Halo Error:
It occurs when the interviewers overall impression of a single dimension spreads to influence his or her rating of other characteristics. This is especially likely to happen when the interviewers is asked to rate many traits or to rate traits that are difficult to observe in a short interview.

** Nonverbal Factors:
Interviewers are influence by nonverbal factors in the interview. For jobs involving technical skill and low contract with others this interviewer tendency probably weakens validity. It may contribute valid variance to the prediction of success in jobs involving a great deal of public contract.

** Faulty Licensing and Memory:
Interviewer may miss a substantial portion of what the interviewee says because of poor listening habits of preoccupation with what to ask next.

** Difference between interviewers:
These differences contribute to low inter rather reliability reduce the validity of the interview as a selection tools. Managers like using interviews because they feel interview allow them more flexibility and control over selection decisions compared with more rigid and quantitative methods.

All the above errors affect the interviewers in the interview session of Chevron's except race, sex & Appearance bias.

Types of Interview:
Interview can be classified on the basis of their degree of structure or the extent to which the interviewers plan the questions in advance and ask the same question of all the candidates for the job. 3 types of interviews are as follows—

1. **Unstructured interview**
2. **Semi structured interview**
3. **Structured interview**

Chevron is basically following the Structured interview.

Structured interview

Interviews that feature structured questions usually provide structured rating scales on which to evaluate applicants after the interview. 3 types of structured interviews have been discussed in the research literature:

- ✓ The patterned interview,
- ✓ The situational interview, and
- ✓ The behavior interview.

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Patterned interview:

In this interview they mainly focus on past work activities, education, career goal & so on. These types of structure does increase inter-rather reliability. High productive validity depends on electing candidate relevant information on the skill, abilities and attitude.

Situational & Behavior description interview:

These interview questions are based directly on the job analysis and are double checked by job experts so that the interview is demonstrably content valid. The situational interview focuses on future oriented questions.

The behavior description interview question focuses on the employee's willingness to comply with job requirements. Behavior interview question ask from the critical incidents technique of job analysis. Behavior interview gives the idea about job duties or handled job problems in the past.

In the above way, Chevron conducts their interview.

Reference & Background Checks:

Chevron's goal in reference checking is often to verify information that the candidate has already given the organization like, academic degree, dates of employment, job responsibility, and salary. It also used to discover new information on the history of past performance of the candidate. This investigation may be performed by Security Department.

Obtaining Reference Information:

Reference information is usually collected by HR specialist of Chevron from a candidates former employers or other knowledgeable persons the candidate list. To get additional information Chevron's employer ask the listed reference for the names of other people who might know the candidate well enough to commitment his or her qualification.

Information from references may be solicited in writing or in a face to face interview. Reference interview planned carefully in advance and focus on job related issues.

Validity and legality of reference information:

There are several potential legal problems associate with reference.

➤ One involves possible lawsuits for defamation when an employer or former employer gives negative reference.
➤ Although this policy may appear wise for an employer, it complicates the task of the potential future employer.
➤ And the other is, by remaining silent about a problem of employee the former employer may be liable for negligent referral.
➤ This information can be helpful in identifying potential problem employees, moves have been made to reduce the risk of giving and seeking reference.

Benefits of proper selection:

▪ Selecting the right people is critical to successful strategy implementation.
▪ The organizations strategy may affect job duties and design and the job should drive selection.
▪ The most accurate selection occur where several valid selection devices are used together to assess different aspects of candidates abilities and motivation to do the job.

Existing Forecasting manpower requirement of Chevron

Judgmental Method:

Chevron mainly follows judgmental method for forecasting their manpower requirements. The manager of Chevron makes a judgment of future employment levels.

Such judgmental decision is based on his past experience, which he relates to past occurrence of some events and its effects of manpower plans.

This method involves a panel of experts and those experts are given opportunity to discuss among themselves. There is also a coordinator who plays the role of a facilitator, allowing the experts to discuss their ideas and they record such discussion.

After this experts are asked to rank their ideas according to their perceived priority. The group consensus then derived mathematically in terms of individual rankings. Chevron always linked their bottom line with the business plan.

So, Chevron follows the Nominal Group Method for their manpower forecasting.

Training

Training enriches job related skills and also facilitates acquiring of new skills required for averting skill obsolescence in an organization.

It is a process whereby people acquire capabilities to aid in the achievement of organizational goals. The process of teaching new employees the basic skills they need to perform their job.

Training may be defined as a systematic tailor made program to suit the needs of a particular organization for developing certain attitudes skills and abilities in employees irrespective of their functional levels.

Importance of training

To increase the performance level of an employee and to develop him/her in such a manner that he/she can rise to the position of higher responsibility.

- ➤ To constantly develop manpower to meet the current as well as future needs of the organization.
- ➤ To ensure effective utilization of human resources.
- ➤ To integrate individual goals with the organization goals by crating a climate so that an individual employee can best achieve his goals by achieving the goals of the organization.

Chevron provides different kinds of training for their employees which include on-the-job training, job instruction training, vestibule training, training centre-training, simulation, apprenticeship, lectures, demonstration, conference method, group discussion, case study, programmed instruction, T-group training, E-learning etc.

Training Methods of Chevron

The following training methods are mostly used by Chevron for training of employees—

- Microsoft project 2003 Level-1
- Team Building Exercise
- Contract Management & Negotiation Skills
- MS Access
- Developing Web Application with Relational Database Management System
- ARC Training Programme-2006
- English Language Training Course
- Biodiversity in ARID Environment
- Society Petroleum Engineers
- Global Pacific Asian Upstream Conference 2006
- International Petroleum Fiscal Systems Analysis and Design
- Risk Analysis and Decision Making in Petroleum Exploration
- Dream weaver Web Development
- An Overview of Petrosys mapping

- International Business Communication Skills
- Pipeline Studio training and user group meeting in Netherlands
- Centennial Discovery Admin/setup, Assistant Admin/setup and provide training on promasys application to Edinburgh IT
- Exploration and Production Accounting Level-1
- BOSIET including Travel Safety by Boat
- Exploration and Production Accounting Level-1
- Workshop on CSR Database in Gurgaon conducted by Ian Watt
- Personnel Manager Training
- Income Tax
- Defensive/Security Driving
- Inventory Management
- Team Building Exercise
- Basic Fire Fighting Training.
-
- Basic Offshore Safety Induction & Emergency Training (Sea Survival Course)
- Production Forecasting in Upstream Oil and Gas
- Contracts Principles and Administration
- Basic of Supply Chain Management

Development

After every six months, Chevron conducts development meeting. This meeting is done by staff members and managers based on Chevron's Competencies to establish development plan.

Development Meeting Process

MANAGER GUIDELINES
Preparing For and Holding the Development Meeting

Section 1- Preparing For a Development Meeting

A. Take A Whole Job View

A mind map is recommended as a good approach for doing this. However, if the manager find mind mapping unhelpful, uses an alternative approach to looking at the whole job that works for him and his direct report.

However, assuming that they do use a mind map:
- Draw a high level mind map, showing the employee's job title in the middle of the page.
- Note on the page the main elements of this job.

B. Using The Competency Framework Outline

- Decide which of the color coding is relevant for this job.
- Highlight the three to five most relevant competencies. Add these as main branches to the mind map.

C. *Identify The Strengths And Development Areas*

- Consider each of these competencies in turn. Look at the competence definition and if necessary dip into the behaviors' for more detail (the manager may find that the behaviors are especially helpful for jobs that are non-supervisory or specialist roles). Identify up to four related behaviors that are particularly important and are either clear strengths or development areas.

- Add these as a sub-branch to the mind map.

- For each sub branch, think of typical examples of the employee using / not using these behaviors and add these to the mind map.

D. *Create The Agenda*

Bring this mind map and the rest of the preparation to the Development Meeting, as this will help the manager and the employee to set the agenda for the discussion. Remember, that the employee's mind map will be different to him—

employee will have done more comprehensive preparation on thinking about their whole job; what they enjoy most/least, what they value and what they believe to be key strengths and weaknesses.

These differences in approach are deliberate and intended to open discussions about shared and differing views about the job and where the individual adds value, as well as agreeing areas of strength and areas for development.

It is also designed to minimize the amount of preparation the manager has to do for each person.

Section 2- The Development Meeting Itself

E. Agree Agenda And Key Competencies On Which To Focus

1) Agree the agenda with the employee, by comparing the thoughts from the preparation. These will cover thoughts about the whole job, about their objectives and thoughts from the competence framework, as explored in respective mind maps of the manager.
2) Explore the employee's thoughts from their mind map of their job.
3) Agree which are the most important competencies on which to focus.
4) Remember that the meeting is employee led, so don't impose the agenda.

F. Joint Discussion Of The Whole Job, Strengths & Development Areas

This meeting is largely employee led. During the meeting, the manager's emphasis should be on listening and providing structure. His/her contributions might include:

- Asking for expansion or clarification.
- Trying to focus the employee on specific examples.
- Affirming what they have heard—offering their own view where similar and starting to explore differences.

The emphasis should be on specifics, not on one view winning out.
1) Discuss strengths and development areas for these competencies.
2) Summaries the discussion by jointly completing the Development Meeting Summary Form.

The sort of areas the manager should explore and confirm is:

- What few things will make the biggest difference in the way the employee approaches their job?
- How can they make the most of their strengths and is there anything he can do to help them do this?
- Over the next few months, what are the two or three things/actions that they are really committed to doing differently?
- These areas should help the employee to formulate development objectives, to agree with the manager.

It will also be important to discuss career aspirations. This should be done constructively and realistically—without raising false expectations. In instances where the employee wants to progress their career, their development objectives should include one or two actions which will help them to move in this direction.

G. Jointly Complete Development Meeting Summary Form

The output of the meeting is a completed Development meeting Summary Form. Although it is the employee's responsibility to ensure a copy of this is filed with the HR Department, once the manager has both signed it off, he should check with them that this has been done.

Development Ideas

The development meetings are intended to help the manager broaden his skills base. When thinking of how to approach this, many people's thoughts turn instantly to attending a course or training program.

Yet research has shown again and again that attending a course does not necessarily lead to changes I the way they approach their work.

The organization may come away with some good ideas, but something else is needed for the learning to stick. People learn most effectively when they are personally engaged with their development activity; and when the activity takes place alongside their work and is focused on the current organizational reality.

With this in mind, in the development meeting the manager is asked to identify the '2-3 actions/things I am really committed to doing differently'.

Experimenting and Review

The most likely action plan is simply to experiment with doing something differently then to review how the experiment worked. If something isn't working as well as it could, what changes are possible? What can the manager does differently? What might others do? How can he tests out alternatives? When the manager has tried something different, how will he knows whether it has been more successful? What feedback might the manager can get?

Learning from Others

Is there an area where the manager is less confident, or where something is fairly new to him? Has the manger considered who has the experience or expertise and how the manager can learn from them? For example, if the manager is inexperienced I making presentations, who does it well? Perhaps he can ask them how they prepare, or what tips they can give him. Asking to work with them on all or even part of their next presentation might be another option.

Learning from Difference

Perhaps the manager has colleague who works differently from him. This difference may help him identify alternative approaches to work. It may also be mutually developmental.

For example, whilst the manager be good at planning and sticking to his plans, (something his colleague might struggle with), he may learn from their ability to reassess priorities and modify their plans when needed.

Learning from Feedback

The organization often repeats doing what they have always done, without checking that it is achieving what is required. Sometimes they over-deliver and sometimes they under-deliver.

So it can be very useful to ask for feedback in order to benchmark what they are doing. This may seem daunting, especially if it is counter-cultural.

Learning from New Experiences

Being structured is often a good source of development. Asking to get involved in something the manager doesn't normally do may give him a development opportunity that he hadn't previously thought of.

There may be real benefits to the department and to the organization from broadening the context within which the manager operates.

EMPLOYEE GUIDELINES

Preparing For and Holding the Development Meeting

Section 1- Preparing For a Development Meeting
This is a four part process:
- A. Mind mapping the job.
- B. Work through the competency framework to identify the key competencies for the job.
- C. Reviewing strengths and development areas against the competency framework.
- D. Combining thoughts from A, B & C above.

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A. Mind Mapping the Job

One sheet of A3 paper and several different colored pens are needed to draw an image in the centre to represent the job title. The employee should add main branches for key elements of the job and extend these with smaller branches to elaborate on what the key elements involve. The next step is to analyse it.

A. Work Through The competency Framework and Identify The Key Competencies For The Job

For doing this Competency framework outline (competency descriptions) and Competency framework detail (the whole framework) are needed. The framework has been designed to cover all jobs.

Employee should focus on these ones that he/she thinks are most important for the job, but need not include all of the competencies.

B. Identify Strengths and Development Areas Against The Framework

- Think about current role, and consider in turn each of the competencies.
- Scan down the color coded list of behaviors and mark up that is important for the role.
- Decide whether it is a strength or development area.

C. Creating The Agenda For The Development Meeting

Employee is now ready to draw together the themes from the three parts of his preparation, and to propose an agenda for the development meeting. The Organization strongly recommends that employee should use his mind map to do this. For that different color pens and earlier preparation are needed.

Section 2- Holding the Development Meeting

D. Agree Agenda And Key Competencies On Which To Focus

1) Agree the agenda with the manager, by comparing the thoughts from the preparation. These will cover thoughts about the whole job, about the objectives and employee's thoughts from the competence framework, explored in the respective preparation.
2) Agree which are the most important competencies on which to focus on.

E. Joint Discussion Of The Whole Job, Strengths & Development Areas

This meeting is largely employee led. It is a chance to discuss the things that are most important to the employee in helping to do an even better job and how the employee might be able to develop further, with regards to career aspirations.

The emphasis is on specifics, not on one particular view winning out. The Development Meeting should enable the employee to agree with the manager a number of development objectives that employee will commit to achieving.

The following questions may help the employee to translate their intentions into clear and measurable objectives:

- How will the employee know when he has succeeded?
- What will be the signs that the employee is moving in the right direction?
- What resources/support does the employee need?
- How can he keep himself on track?

G. Jointly Complete Development Meeting Summary Form

The output of the meeting is a completed Development meeting Summary Form. Once the employee has agreed the development objectives with the manager and detailed these on the form, it is the employee's responsibility to ensure a copy of this is sent directly to the HR Department.

It is the employee's responsibility to ensure that he takes appropriate action to achieve the development objectives, although they may need manager's help in order to do this.

Performance Appraisal

Performance appraisal is one single important tool, which helps in deciding about training requirements for an organization and it reinforces training activities.

It means analysis, review or evaluation of performance or behavior analysis of an employee. It may be formal or informal, oral or documented, open or confidential.

Functions of performance appraisal

- To identify and define the specific job criteria.
- To measure and compare the performance in terms of define job criteria.
- To develop and justify a reward system.
- To identify the strength and weakness of employees and decide on proper placement and promotion.
- To develop suitable training and development program for enriching employees performance.
- To plan for the long term manpower requirement and to decide upon the organizational development programs needed.
- To identify motivational reinforces, to develop communication system.

Performance Management Process(PMP)

The Performance Process (PMP) provides a standard process for evaluating and documenting performance across Chevron. PMP creates a line of sight linkage between individual's contributions and the performance goal of the business.

It is a way for employee, together with the supervisor, to plan, manage and document their performance on the job. Within the PMP the employee takes accountability for their performance, actions, behaviors and their supervisor takes accountability for guiding their actions, coaching on their performance (results and behavior) and determining rewards.

The Performance Management Process allows all employees, through focused discussions with their supervisors, to understand how their individual and team unit goals support the Corporation and organizational strategies.

Individual performance management involves planning for, achieving and improving performance via review, feedback and continuous improvement.

Planning Performance

Planning performance links organizational goals, action plans and performance milestones.

Achieving Performance

In the work employees do everyday at Chevron, performance is constantly being achieved.

Daily work activity should move employees closer to accomplishing goals in their Performance Agreements.

Improving Performance

Employees improves their performance by continuously learning from what has been achieved and looking back at previous interim and final reviews.

All of these "learning look backs" feed into planning performance for the current and future cycles.

Performance Evaluation

An employee's performance evaluation is based on the expectations their supervisor has for their contribution to Chevron through their work.

Their overall job performance is evaluated on their overall contribution to the success of their work group, which is then validated relative to appropriate peers.

Annual PMP timeline

The Performance Management Process follows an annual timeline.

January-March	- Gather information on business goals - Develop SMART performance, Development, Diversity Agreements including action plans. - Hold initial PMP discussion with supervisor. - Final Agreement on PMP goals.
Interim(August)	Interim review and update
January(next calendar year)	Hold preliminary performance close out discussion. Concentrate on gathering employee input and sharing perceptions on meeting performance goals. Assign a preliminary rating.
February-March	Performance and salary administration discussion occur; Individual employees performance is validated against appropriate peers to determine relative performance. PMP is input to pay, selection and promotion decisions.
March-April	Individual receive final performance feedback and evaluation. Pay decision are communicated.

Performance Improvement Plan

Employees who receive a performance rating of "3" will be required to be on a Performance Improvement Plan (PIP).

A PIP is a short term tool used to bring unacceptable performance to an acceptable level and is regularly used when performance has been at an unacceptable level for more than several months and previous efforts have been unsuccessful in raising the level of performance.

Industrial Relations

Chevron does not allow any trade union, collective bargaining in their organization. Because, all are outsourced like security, labours, drivers, electricity, production is outsourcing.

Health & Safety

It's not about statistics. It's about keeping people safe.

Health, environment, safety and reliability are fundamental to everything Chevron do. In all of its projects, It stay focused on Chevron's vision to work with the partners in the government of Bangladesh and Petrobangla to develop the country's energy resources in a safe, environmentally responsible manner.

During the Bibiyana project, they have maintained a perfect safety record, working an uninterrupted 5 million man-hours without a safety incident.

State-of-the-art technologies are employed at all three fields to protect the environment. Stringent inspection procedures are employed to ensure the safest possible operations.

These efforts and constant dedication throughout our organization will allow them to move beyond these milestones to set even higher standards.

Chevron places the highest priority on the safety and health of our workforce and the people in the communities where they operate, on the environment, and on the reliability and efficiency of their operations.

Chevron's Operational Excellence Management System (OEMS) focuses on leadership accountability and on a management system process that is integrated into its business planning.

It also integrates a comprehensive set of expectations for operational excellence to achieve world-class health, environment, safety, reliability and efficiency performance.

In 2007, Chevron focused on continued implementation of our OEMS worldwide. In addition, for the 3rd year in a row, Chevron conducted a review of serious incidents to learn from these events and improve the safety, reliability, and environmental performance of operations.

Chevron adopted two new corporate standards to further reduce injuries and illness among our workforce —

> ➤ Fitness for Duty and Occupational Hygiene

> ➤ Initiated a cardiovascular health program for the employees.

Chevron created a Motor Vehicle Safety Center of Excellence to improve driving safety within the company, and continued our Arrive Alive community motor vehicle safety programs.

Chevron also created an Incident Investigation and Learning Center of Excellence to improve our investigations and to learn as much as possible to prevent future incidents.

And Chevron expanded its efforts to provide health and safety benefits to the communities where it operates through programs to combat HIV/AIDS and malaria, and, in some locations, supported community clinics.

Safety Performance

Chevron remains committed to reducing all incidents to zero. The Total Recordable Incident Rate of Chevron's workforce decreased by 17 percent compared with 2006, and the Days Away From Work Rate decreased by 22 percent during the same period. The frequency of lost-time incidents has declined significantly over the past five years by more than 71 percent.

Every Chevron facility strives for outstanding safety performance. Its Zero Is Attainable awards are granted quarterly to locations that complete 1 million hours or 1,000 days worked with no workforce Days Away From Work incidents and no fatalities. In 2007, 89 work groups worldwide received this award.

Reducing Employee Injuries and Illness

Programs to support a safe, healthy and reliable workplace are an important part of the employee's efforts to reduce all incidents to zero. In the last year, the programs established included:

- Safe Work Practices – Global Downstream and Upstream organizations developed standardized processes to address training, high-risk work and lessons learned from major incidents.

- Fitness for Duty – Chevron established a standardized process to determine whether employees are safely able to perform the requirements of their job.

- Occupational Hygiene – A corporate Occupational Hygiene process to further enable them to protect workers' health by identifying, quantifying and controlling occupational exposures to environmental agents that may affect the health of the workforce. Chevron also established a corporate exposure standard for hydrogen sulfide in the workplace.

- Reliability – Chevron offered 24 courses and held more than 225 classes through its Reliability University, training more than 3,000 individuals in the behaviors and tools needed to improve the reliability of our operations and capital projects.

Employee's Cardiovascular Health

Helping employees improve their health is another way in which Chevron strives for a safe, productive work environment. Chevron has developed a program to address major risk factors for cardiovascular disease among our employees.

Designed with the assistance of public health experts, the program provides cardiovascular risk assessment tools that employees can use voluntarily and confidentially. For individuals at medium or high risk, a health mentor is available to support behavioral changes associated with better health.

Chevron translates the assessment and educational tools into multiple languages.

Facing the Challenges of HIV/AIDS

Chevron in 2007 became the first Corporate Champion of the Global Fund to Fight AIDS, Tuberculosis and Malaria.

Over the next three years, Chevron will contribute $30 million to support the Global Fund's work to combat these diseases around the world. Leveraging its experience working with local communities, it will focus its approach on collaboration and partnership, a model shared by the Global Fund.

Chevron is in its third year of implementing a global policy to help fight the spread of HIV/AIDS and to address its effects among our workforce and communities where it operates.

The policy focuses on delivering customized education, awareness building, prevention and treatment programs across the organization and on reducing the

stigma associated with HIV/AIDS. Forty HIV/AIDS policy coordinators drive implementation globally. Our goal is to have all Chevron employees understand how to prevent HIV/AIDS and, wherever possible, to provide access to voluntary testing and treatment resources.

During 2007, Chevron continued to provide training on HIV/AIDS prevention, testing, management and treatment.

Since the introduction of HIV/AIDS program, approximately 6,370 managers and supervisors and 11,200 employees have received training customized for their particular geographic area.

Combating Malaria in African Communities

Chevron's anti-malaria efforts are focused primarily in Angola and Nigeria, countries and where the mosquito-borne infection is prevalent. In Angola, Chevron promotes awareness of how malaria is transmitted, assist with training community-based health workers and provide clinical supplies.

Chevron also provides insecticide-treated mosquito nets to employees and their families. In 2007, Chevron expanded this effort by distributing 14,000 nets to communities near Angola operations.

These combined efforts have contributed to a 40 percent decrease in annual malaria cases among the employees and their families. In Nigeria, the River Boat Clinic, launched in 2000, delivers prevention, diagnostic and treatment supplies directly to remote communities in the Niger Delta.

Arrive Alive

Chevron established the Arrive Alive program to help eliminate traffic-related fatalities and injuries in the communities where Chevron operates. Working with government agencies, nongovernmental organizations, trade associations and other private-sector companies, Chevron has formed or joined collaborative nonprofit entities in Guatemala, Nigeria, South Africa and Uganda to help develop and implement road safety action plans. In 2007, a program was established in El Salvador.

These efforts seek to create solutions through advocacy, enforcement, education and communication, addressing the root causes of road traffic incidents in several communities that host our operations.

Security.

Chevron is committed to protecting the security of your personal data. They use a variety of security technologies and procedures to help protect your personal data from unauthorized access, use, or disclosure.

For example, they store the personal data you provide on computer systems with limited access that are located in facilities to which access is limited. When you move around a site to which you have logged in, or from one site to another that uses the same login mechanism, they verify the identity by means of an encrypted cookie placed on the machine.

When you place an order with them, view account information, or provide financial information, they protect the transmission of such data using Secure Socket Layer (SSL) encryption.

Corporate Social Responsibility (CSR) Policy

Chevron is committed to maintaining the highest standards of corporate social responsibility in its business activities.

To meet this commitment they will seek to respect the rule of law, adopt appropriate international standards, implement management systems, and will strive to:

In the Community

Chevron is active in community development in Bangladesh through a wide variety of activities and programs that focus primarily on education, health care and social welfare.

Chevron aim to provide resources that help people gain the skills needed to enhance their standard of living and preserve their culture.

Chevron carries out most of these projects directly, and it works on others in partnership with leading nongovernmental organizations. Employees also play key roles in establishing the company's values in community development by regularly participating in Habitat for Humanity projects, planting trees and donating blood.

Chevron has invested more than $2 million in the community development projects in Bangladesh since 1998. Chevron currently support:

❖ Flood relief and primary health care for flood victims

❖ Job and occupational training programs for more than 1,800 people

❖ Two Smiling Sun clinics, which we established to provide health care services to approximately 6,000 villagers near the Bibiyana and Moulavi Bazar gas fields

❖ A sanitation program that improves local health and hygiene conditions

❖ An educational program that includes building and furnishing schools, funding salaries of additional teachers, and providing scholarships to needy students

❖ An eye care program that in 2007 provided more than 500 people with medicine, spectacles and cataract operations

❖ A Road Safety Awareness program

❖ During our time in Bangladesh, Chevron has supported people in their efforts to become self sufficient. We have:

❖ Assisted in the construction of five new rooms in Sylhet Red Crescent Maternity Hospital.

❖ Helped establish a microbiology laboratory in the Dhaka Medical College Hospital.

❖ Supported the creation of three community libraries.

❖ Established a tuberculosis laboratory in Dhaka.

❖ Planted more than 1,100,000 trees in greater Sylhet and Dhaka.

Clean Desk

- The company operates a " clean desk policy" and the importance of confidentiality of information and data should be recognized.
- In order to protect data and to ensure it is only available to the relevant people the following should be followed:

  - Confidential document, data or information should not be kept on the desk while the employee is away from the desk during office hours or when they leave after office hours.
  - All papers should be removed from the desk when an employee leaves the office at the end of the day.
  - The computer should be shut down while an employee is out of the office.
  - Screensaver passwords should be installed to ensure that the computer can not be accessed during an employee' s absence.

Safety of personal belongings

Employees are responsible for securing their own personal belongings and should keep these in their possession or secured, at all times as long they are on Company managed premises. The Company can not be held responsible for loss of any personal belongings.

Smoking

It is the wish of CESFL to maintain the highest possible Health, Safety and Environmental standards in the conduct of its business activities.

Over the years it has been proven that prolonged inhalation of cigarette, cigar or pipe smoke, whether active or passive, can be a serious health hazard.

Both active and passive smoking significantly increases the risks of cardiovascular diseases, cancers (especially of the lungs) and various respiratory diseases.

Business Ethics

Chevron conducts business in accordance with the highest ethical standards and in compliance with the letter and spirit of applicable laws in countries. Chevron's Business Conduct and Ethics Code (BC&E Code) communicates to the employees the values that guide our actions and decision making worldwide.

Employees are required to read and acknowledge that they will abide by the BC&E Code, which is available in 12 languages. The code is reviewed, updated and redeployed periodically. It will be updated in 2008 and will include Chevron's Human Rights Statement.

All employees are required to report any questionable conduct to management, legal counsel, Human Resources, Global Security, Internal Audit or to the Chevron Hotline. Reports of questionable conduct may involve, for instance, violations of the law, the BC&E Code or company policies.

The Chevron Hotline is operated offsite by Global Compliance Services (Alert Line®), an independent agent. Employees and contractors can access the hotline 24 hours a day by the Internet, multilingual phone line or letter.

All hotline reports are received and reviewed by the corporation's chief compliance officer, chief corporate counsel and the corporation's hotline program coordinator. If appropriate, these matters are elevated to the Audit Committee of the Board of Directors. Submissions to the hotline can be made anonymously.

Chevron does not tolerate any form of retaliation for reports made in good faith to the hotline.

In 2007, AlertLine® received 445 calls, compared with 262 calls in 2006 and 275 in 2005. During 2007, Chevron conducted a hotline employee-awareness campaign and took steps to improve ease of use and access to the hotline companywide.

The largest percentage of calls pertained to three classifications:

> People management issues – 56%

> Financial and internal controls – 15%

> Internet/mail incidents – 12%

Internet/mail incidents refers to fraudulent proposals from non-Chevron representatives made to individuals

Recommendation:

❖ Combining quantitative tools with judgment always yield better results. Chevron is using Judgmental Method for forecasting their manpower requirement but in order to have a better and accurate result Chevron can use Mathematical projection or quantitative tools in combine with the Judgmental Method that will help them to get better and accurate result. They can use **Exponential Smoothing Method**. It provides more accurate data as this method smoothens random errors by giving exponentially decreasing weights to historical data. Such weight factor is indicated by alpha (α), which is a smoothing constant, a non linear decimal value which lies between 0 and 1.This α value is determined by the

manager by using judgmental method. The formula for Exponential Smoothing is

$$F_m = F_t + \alpha (A_{t-1} - F_{t-1})$$

Where

F_m = Forecasted manpower

F_{t-1} = Forecasted demand for the previous period

α = Smoothing constant

A_{t-1} = Actual manpower required for the previous period

Having information regarding the actual manpower of the previous period and forecasted manpower of the previous period, Chevron could easily calculate the forecasted manpower for the current or future period.

If Chevron uses this method they will get more accurate result compare to the others.

- ❖ Their interview session should be error free.
- ❖ There should be friendly environment in the interview session.
- ❖ Chevron should educate its top level employees about all the HR related issues.
- ❖ Chevron should use Management by Objective, 360 Degree Feedback for appraising performance of the employees.
- ❖ Training and performance appraisal reinforces Human Resource Planning in an organization. In this rapid era of technological change and global competitiveness, Chevron should constantly renew and update skills of their employees or else they will be likely to encounter the problem of manpower obsolescence.
- ❖ HR should be very close with the business to understand the business and profit of the organization.
- ❖ The employees should know about the value addition about how they could add value to the organization.
- ❖ Though they consider newspaper advertisement as a risky one but they should give advertisement to attract highly qualified employees at the entry level.
- ❖ They should give advertisement nationally.
- ❖ They should not only focus on a few particular campuses rather they should give opportunity to all.

❖ As oil and gas is a very volatile sectors which keeps on changing, so HR manager should make their HR planning properly to avoid any uncertainty that may arise in the near future.

Conclusion:

Chevron is a collaborative enterprise whose many parts work in concert to deliver vital energy. Selecting the right people is critical to successful strategy implementation. Two-way linkage seems to exist between the HRM function and the strategic management function of Chevron.

Chevron, like most organizations have a continuing need to recruit new employees to replace those who leave or are promoted, to acquire new skills, and to permit organizational growth. Some recruitment goals and priorities of Chevron are to attract highly qualified applicants who are willing to accept offers, fill vacancies quickly at minimal cost, hiring people who perform well and who will stay with the organization.

Chevron mostly gives emphasis on merely filling vacancies. Chevron tries to attract the type of talented candidates who can feed the management pipeline of the future. Extensive training and consultative processes strive to create a climate that is welcoming to and supportive of all candidates. Chevron considers their applicants as customers to be wooed. Sometimes Chevron goes through formal method for the purpose of recruitment.

Chevron uses more than one selection device to gather information about applicants. Candidates must do well on an earlier selection device to remain in. Chevron uses interviews as a selection device for most jobs. Chevron's interview process is very much exhausted.

Training enriches job related skills and also facilitates acquiring of new skills required for averting skill obsolescence in an organization. It is a process whereby people acquire capabilities to aid in the achievement of organizational goals.

After every six months, Chevron conducts development meeting. This meeting is done by staff members and managers based on Chevron Competencies to establish development plan.

Performance appraisal is one single important tool, which helps in deciding about training requirements for an organization and it reinforces training activities.

Chevron does not allow any trade union, collective bargaining in their organization.

Chevron is committed to protecting the health and safety of everybody involved with their activities, the people who come into contact with their operations and the physical and natural environments in which they work.

Chevron is committed to maintaining the highest standards of corporate social responsibility in its business activities.

As oil and gas is a very volatile sectors which keeps on changing, so HR manager should make their HR planning properly to avoid any uncertainty that may arise in the near future.

Reference:

1. **Human Resource Management (Fifth edition) by**- Cynthia D. Fisher, Lyle F. Schoenfeldt, James B. Shaw.
2. **www.chevron.com**

Section 1 – Employee Information			
Name	E-mail or Employee ID	Position	Time in Present Position
Company / Department Chevron	Location Sylhet	Period Covered	

Section 2 – Summary of Business Unit or Department Objectives As Related To Your Role

Section 3a – Performance Agreements	Section 3d – Results
Capital Stewardship	
Operational Excellence	
Cost and Business Management	
Profitable Growth	
Organizational Capability	

Section 3b – Development Agreement(s)	Section 3d – Results

Section 3c –Diversity Action Plan Agreement(s)	Section 3d – Results

Section 4 – Interim Progress Review(s)	
Review Dates:	Comments:

Section 5 – Employee Performance Self Evaluation		
Exceptional Performance 1 ☐	Meets Performance Expectations 2+ ☐ 2 ☐ 2-- ☐	Falls Short of Performance Expectations 3 ☐

Information on this form will be used as input to pay and employment decisions.

Section 6– Performance Feedback and Evaluation

Written Performance Feedback:

Exceptional Performance	Meets Performance Expectations			Falls Short of Performance Expectations
1 ☐	2+ ☐	2 ☐	2-- ☐	3 ☐

Section 7 – Employee Comments

Section 8 – Employee, Supervisor and Next Higher Level Review

Employee	Initial	Date	Supervisor	Initial	Date	Next Higher Level	Initial	Date

Information on this form will be used as input to pay and employment decisions.

PMP-2008 Form Instructions

Employees and supervisors should complete this form as indicated in each section. See Performance Central Web site for additional PMP information and guidelines and further information on linked processes, such as, development planning, multisource feedback, behavioral competencies, and diversity. In addition, you may contact your Human Resources Business Partner for further guidance.

Section 1 – Employee Information
Employee: Complete all of the boxes in this section.

Section 2 – Summary of Business Unit or Department Objectives
Employee with supervisor input: Summarize the goals of your Business Unit or Department as related to your role.

Section 3 – Agreements are to be written using "SMART" criteria (Specific, Measurable, Attainable, Relevant, Time-limited).

Section 3a – Performance Agreements
Employee with supervisor input: Document four to six performance agreements that are primary areas of focus through which you will deliver results in your role. You and your supervisor may choose to identify and discuss the critical behavioral competencies, which describe how results will be achieved. You may also decide to incorporate a behavioral competency into your Performance Agreements. Performance agreements should be closely aligned with your operating company or department's overall business goals and *The Chevron Way.*

Section 3b – Development Agreement(s)
Employee and supervisor together: Document one or more development agreements that are focused on improving knowledge, skills, behavioral competencies, or effectiveness in your job. Your development agreement must include actions from feedback processes in which you participate, such as Dynamic Leader 360-degree or Individual Contributor Multisource Feedback. You may also have other sources to consider for input, for example, your performance agreements, supervisor or customer feedback, or Learning Action Plans. You may attach your 360-degree or Individual Contributor Multisource Feedback action plan, Chevron Development Plan Worksheet or an operating company or other organization specific template.

Section 3c – Diversity Action Plan Agreement(s)
Employee with supervisor input: Document one or more personal diversity action plan agreements that are focused on enhancing your awareness of diversity and demonstrating your commitment to helping Chevron achieve its diversity objectives.

Section 3d – Results
Employee with supervisor input: Write down what was accomplished and how results were achieved relative to the goals and metrics that were agreed upon. Explain any variations from the planned goal or metrics.

Section 4 – Interim Progress Review(s)
Employee with supervisor: Set a date to get back together again to talk about progress made and performance. You must have at least one interim review, but you're encouraged to get together frequently so that you can note changes in agreements, responsibilities, and to provide or receive feedback and coaching.

Section 5 – Employee Performance Self Evaluation (To be completed by employee)
Employee: Evaluate yourself based on results achieved relative to your agreed upon performance agreements, behavioral competencies, development and personal diversity action plan agreements, relevant input from others, and your overall contribution to the success of your work group. Take in to consideration how you have demonstrated *The Chevron Way* values and principles.

Section 6 – Supervisor Performance Evaluation to Employee (To be completed by supervisor)
Supervisor: Write down the key messages you want to give the employee about his or her performance, including *The Chevron Way* values and principles. Emphasize employee performance strengths, as this has been shown to positively impact future performance in a significant way. Include suggestions and feedback that can help the employee further develop his or her skills and promote career growth. You can note general comments about performance including those that aren't directly related to specific sections on this form.

Evaluate the employee based on results achieved as well as on behaviors used in getting results. Evaluations should be relative to the employee's agreed upon performance agreements, behavioral competencies, development and personal diversity action plan agreements, relevant input from others, and the employee's relative overall contribution to the success of your work group. Assign a rating. Do not share the rating with the employee until it has been validated relative to appropriate peers. Explain to the employee the next steps in the performance assessment and salary administration process and when you expect to be able to communicate the employee's final performance assessment and impact on pay for the year.

Note: In most work groups, it is expected that approximately two-thirds of the employees will be categorized as "Meets Performance Expectations," 0-25 percent will be rated as "Exceptional" and 0-10 percent will be rated as "Falls Short of Performance Expectations." In small work groups the percentages in the categories may vary with management approval. For further definition of these categories, see Performance Central Web site.

Section 7 – Employee Comments
Employee: After receipt of your performance assessment, write any comments you want to make based upon your experiences, accomplishments and perceptions of your performance during this time period.

Section 8 – Employee, Supervisor and Next Higher Level Review
Employee: Initial and date the form. Initialing this form documents your participation in the PMP process; it doesn't mean that you agree with the supervisor's comments or assessment.

Supervisor: Initial this form after the employee and you have had your <u>final</u> performance review and evaluation feedback which occurs after the performance assessment and salary administration process. If there is any subsequent performance information received that would change the performance evaluation of the employee, this must be communicated to the employee and documented. Give the employee a copy of this form and send a copy to your manager.

Notes: Human Resources should keep a copy of the completed form for six years.
Employees and supervisors should each keep a copy of the completed form for three years.
Local management will advise on additional retention requirements.