Schlumberger is one of the world’s largest oil field services companies. The firm offers a complete range of oil and gas services, including engineering, construction, and project management. Schlumberger has over 118,000 employees, does business around the world, and, in 2012, earned more than $42.15 billion in revenues. But while the firm has little trouble finding oil these days, attracting and keeping the right people—a fundamental human resource management issue—is an ongoing challenge.

Schlumberger and other large companies in energy-related industries depend heavily on a steady inflow of new employees. But an aging workforce and an unevenly distributed supply of talent continues to create challenges. For instance, there is a significant shortage of geosciences and petroleum engineering students in both North America and the Middle East—the very regions where more people are needed.

More than 40 years ago, Schlumberger adopted an aggressive and innovative human resource strategy that is based on diversity and partnerships with colleges and universities. As a result, the firm has long hired in every country where it operates. In addition, it took a geocentric approach to all of its global assignments, hiring the best people regardless of where they are from and moving them to work assignments that are mutually beneficial regardless of the location of those assignments. Schlumberger also established a long-term emphasis on hiring and developing female engineers.

As a result of these efforts, Schlumberger has maintained a human resource advantage over many of its key competitors. But these same competitors have shown creativity of their own as they, too, have taken a more global and integrated approach to human resource management. For one thing, other firms in the industry often look to current Schlumberger employees when they need to recruit experienced people.

To maintain the competitive advantages Schlumberger gets from its workforce, the firm continues to develop and implement new systems, policies, and practices to retain the strong workforce it has attracted. For example, a rigorous, comprehensive training and development program helps keep its engineers at the forefront of their fields. Competitive salaries and performance-based incentives help retain the best and brightest of its employees, and well-defined career paths help Schlumberger continue to grow and nourish the talent it needs to thrive in an increasingly competitive world.

CASE QUESTIONS

1. What are the advantages and disadvantages of Schlumberger’s approach to international human resource management?

2. Under what circumstances, if any, might Schlumberger find it necessary to change its international staffing strategy?

3. Based on the information in this case, would you like to work for Schlumberger? Why or why not?