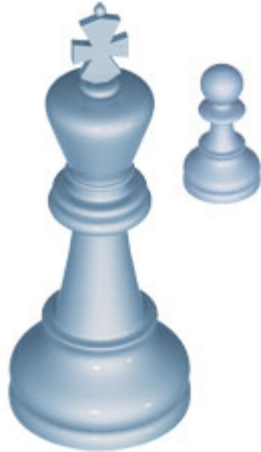


Cover story: Crisis? What crisis? - May 2007



*Smart organisations simply play the game better when it comes to negotiating the skills crisis. **Iain Hopkins** looks at four ways to make better use of what we have got*

Australia prides itself on being a land of opportunity for all who reside here, so it is surprising to think that in this age of doom and gloom about the skills shortage there are actually vast pools of under-utilised or ignored workers. From women on maternity leave to mature age workers to people with disability, there are people who are willing and more than able to participate in the workforce. So, why do so few organisations take up the challenge of thinking outside the recruitment square? More often than not, the reasons given are a result of misinformation and misconceptions about these groups. However, those who have taken the plunge have discovered the shortage is not so much in numbers but skills; the lack is in what has been learnt already, but not in talent or enthusiasm. Below we look at some of the most viable options for attracting untapped labour markets to your organisation.

Willing and able: working mothers

Although we would like to think discrimination does not occur in the workplace, clearly it still does, and none more so than for women facing the many obstacles of returning to work following maternity leave. Unfortunately, the reality is that for many of these women they lose their place in the pecking order and are faced with far-from-family-friendly workplace environments.

Di Pierce, senior training consultant at the Workplace Training Advisory Australia, believes it is a cultural problem that needs to be addressed: "I do think it's a cultural issue - there's still a culture of longevity equals promotion," she says. "Just because someone goes on maternity leave for six months doesn't mean they lose their brain power!"

Pierce believes the issue is not about gender, as flexible workplaces stand to benefit both men and women. "Flexible work hours and work from home options should be available to men and women. Wouldn't it be great if the husband could work from home for one day a week and his wife could work in the office that same day? I think this sort of negotiation should be happening for both men and women to support families," she says.

Although flexible work hours and work-from-home options are not new concepts, there remains the perception that if a person is not in the office they cannot be performing,

because they cannot be monitored effectively. "It's a trust issue," Pierce says. "For example, if a woman is at home how often is she going to be getting up to feed the child? Therefore, the outcomes of performance need to be changed - they need to be given project-driven jobs, projects that need to be completed in a given timeframe."

Organisations offering best practice in this area are offering flexible work hours, opportunities to work from home and job sharing. Employees will be set up with mobile phones and a laptop, and will be given projects that are manageable from home, rather than those where office attendance is vital (see box out case study for another example of best practice).

"Some companies have childcare facilities onsite and also facilities like carers' rooms onsite so if the child is unwell but not so unwell he or she needs to be at home, the parent can call in to check on the child during breaks. It means the carer of that child doesn't need to be at home," says Pierce.

Other support can include female mentorship programs or support groups in the workplace. Another option to lure women back might be an increased superannuation incentive, a pro-rata superannuation program to top up the missed super during maternity leave. Pierce notes that a major reason why a lot of women do not return to the workplace following maternity leave is simply the lack of private facilities for breast feeding. "If they had a situation where they could bring a baby in and go somewhere private to feed the child it would result in a lot more women returning," she says.

There are other easy and inexpensive ways to ensure women on maternity leave are kept up to date about work developments. For example, there is no reason why communication such as minutes from meetings cannot be passed on. Women at home can still be called upon to discuss issues and participate in debates. There is also no reason why skills development cannot continue for women on maternity leave. "It's about keeping people up to date and keeping them skilled. If the company is running courses or training, invite that person on maternity leave to come along and participate - they can even offer to pay for childcare for the day," says Pierce.

While the debate over paid maternity leave and childcare subsidies rages on, there's no doubt the government could be doing more to encourage women back to the workforce, especially those who take longer than six to 12 months out of the workforce. There is clearly a demand for education and training for those looking to re-enter the business world, such as help with interview skills, current work trends and new terminology.

The benefits of welcoming a woman back to work following childbirth are enormous. Pierce points to the skills learnt while raising a child as reason enough to encourage the practice. "The skills learnt include project management, time management, negotiation, not to mention the emotional intelligence skills and interpersonal skills. Especially women raising teenagers - I can tell you their time management and negotiation skills are excellent! When they come back to the workforce they negotiate with young staff members a lot better than others. These are great skills to have in the business world," she says.

One thing is clear: a lot of women want to return to work, and they get great stimulus from being back at work, but they still want to spend quality time with their family. So

when they come back, even if it is only for two days a week, most employers will likely find they will be extremely productive and motivated - surely that is a win/win situation for everyone.

Age no barrier: mature age workers

In case you had not noticed, next time you are at the supermarket, take a look around. Australia's population is ageing, and the impact is being felt in businesses around the world as Baby Boomers start to retire. It seems that although this demographic reality has been coming for a long time, it is only now that business leaders are starting to notice what the impact will be on the bottom line. Not only are organisations starting to lose significant numbers of experienced workers, their positions cannot be filled from younger people coming through. What does this mean? Organisations are scrabbling to hold on to these people for longer by offering flexible work conditions and encouraging workers to delay retirement plans.

"We have conversations with executives all the time who say that a few years ago retirement speeches were few and far between but they now find themselves giving the handshake and handing over the carriage clock most Fridays - they are seeing it first hand and starting to contemplate what this whole exodus of skills and knowledge will mean for the business," says Alison Monroe, director of specialist over-40s recruitment company, Adage.

The financial services sector is leading the way in this area, with companies like Westpac, ANZ and the Commonwealth Bank developing innovative strategies to tap into this vast labour market sector. "Many of the financial services firms have adopted policies around the ageing workforce because their profile of customers is ageing. People phoning up an insurance helpline or walking into a bank want to speak to someone with some life experience, some empathy and also good customer service skills," says Monroe.

There are other benefits to hiring mature age workers, such as lower attrition rate. Research shows a mature age worker will stay with an organisation two and a half times longer than a candidate under 45. There is also that wealth of experience to draw on, and the sound decision making that can result from that.

Nonetheless, there remain some misconceptions about the mature market. One of these is the perception that mature age workers lack IT literacy, and have not invested in their own professional development (or their employers have not bothered). Yet the over-45 market actually has the highest take-up of new technology, and many are aware that professional development throughout their career is vital to keeping skills alive and relevant.

There is also a misconception that mature workers are more costly because they demand a higher salary. Again, this is not true. "Different people have different drivers," says Monroe. "A SageCo survey of 1,000 mature age workers in 2004 found that salary didn't appear in the top three list of what they're looking for from work. Top of the list was actually flexibility, and the ability to coach and mentor and share knowledge.

"I think there's an assumption by a lot of line managers that flexibility equals part time and that's not the case. It can be just working outside of busy commuting hours; it might

be working a shorter working day; it might be working from home a couple of days a week," Monroe adds.

Monroe suggests organisations take a look at their end to end recruitment practices in order to attract and retain older candidates. "The companies that have the most successful and sustainable recruitment strategies have taken a good hard look in the mirror and said: 'Does our process project an age-neutral environment?' Look at attraction and job advertising - what words and imagery are they portraying? Then look at the actual recruitment. A lot of companies have internal recruitment teams - have they been educated about this issue? Do they understand the need to tap into a more diverse candidate pool? If they use an external recruitment agency are they driving that message out to these suppliers? Then look at the interview process - the average Gen Y candidate is probably going for interviews every couple of years, applying for countless jobs every month, but a mature worker may have quite a confrontational experience - they're not used to doing it. Also, are they going to want to be herded through the recruitment centre, will they be comfortable stuck in a cubicle and asked to do psychometric testing online when they've never done it?"

For Monroe, the tide is slowly changing as more and more organisations start to realise the importance of this market. "I think we've moved to a point where the mature workforce is being recognised, but what I think we need to measure more closely is the bottom line benefits and start to measure the ROI of hiring mature workers," she says. "It's an opportunity for organisations to lead their industry and keep ahead of their competitors, because not only will they attract the best mature age workers, but they'll also hang onto their existing older workers and not lose them to competitors."

Open mind the key: people with disability

If the skills shortage stands to benefit any group, it is people with disability. Those in a wheelchair or are sight or hearing impaired face daunting extra challenges when job hunting, but it has taken the skills shortage for employers to realise their potential. This is a group of people capable of work across a broad spectrum of roles and industries. "It's at least three times harder for a person with disability to get employed, and the primary obstacle is still the attitude of employers. That's in terms of time, number of applications and rejections. We hear stories of people who've applied for in excess of 100 roles - how they keep going is hard to fathom," says Suzanne Colbert, CEO of privately funded Australian Employers Network on Disability.

Colbert notes that the potential talent pool is 300,000 Australians, many of whom have become so disenchanted with their chances of employment that they no longer consider it an option.

Fortunately, things are improving. A recent Salvation Army poll indicated that 37% of employers are now willing to employ employees with disability. Those that do are reaping the benefits - and the challenges of setting up such a policy are not difficult to overcome.

Best practice organisations in this area are making simple changes to their office environment, such as more accessible toilets and disabled access. Technology has also helped via breakthroughs such as adapted keyboards and mouses, voice recognition software and amplified mouthpieces.

"It doesn't have to be all that hard," says Colbert. "Technology has opened so many doors for people with disability and often businesses that are new to this don't have a good understanding of what that technology can do. For example, a person who is blind can download The Sydney Morning Herald and read it on their Braille reader on the train on the way to work. For people who have dyslexia or have difficulty constructing correspondence there's intuitive software. SMS technology was developed for deaf people and now we're all using it. GPS in mobile phones can help a person with vision impairment locate addresses more easily. There are so many pieces of technology that make such a difference."

Beyond advances in technology, the companies that really 'get it' are being driven by innovative leaders - examples of those at the forefront include IBM, Westpac and McDonald's. "The companies doing really well have good leaders, so they have good leadership and a reasonable adjustment policy and procedure so it becomes business as usual. They have a strong business case, and they are right across what it means for their organisation. They are companies that acknowledge and respect individual differences to capitalise on different ways of thinking and different approaches that people with disability and diversity groups can bring to those organisations," Colbert says.

"We're now seeing more of our members investing in pipeline talent, so offering employment to tertiary students to help build a good future for the best and brightest," she adds.

The members of Australian Employers Network on Disability have led the way so that others can follow. "They don't have to reinvent the wheel; they can draw on the joint expertise of businesses that are already successful with this. Our members have a combined workforce of over 700,000 people, so they don't have to do it alone," Colbert says.

Although government support is still needed, the federal government is investing \$25m over four years to go towards the cost of making adjustments to accommodate people with disability in employment. The result, JobAccess, is a program designed to help with the cost of adjustments for people with disability, eg software for a person who is visually impaired.

"I think what limits employers is when they don't have a picture of what can be achieved. What would be helpful from the government would be information about workforce development programs and having approaches that create that level playing field. In the UK, for example, there's been some fantastic projects that attracted and recruited people with disability that have had great retention results and great business outcomes by providing people with disability pre-employment training specific to that enterprise. I'd recommend Australian employers consider how they might use workforce development programs to increase the skills of candidates responding to their job ads," Colbert says.

Colbert believes the scope for jobs available for people with disability is limitless. "The focus needs to be on what someone needs to do to achieve the outcomes of the job. So when businesses start thinking about that, they realise that people with disability can do it, and there's no reason they can't be an architectural draughtsman, an accountant or a

lawyer. Businesses should not take the cookie cutter approach which they've traditionally used to meet the requirements of that job," she says.

Colbert also cites the fact that ageing workers will increasingly need to be accommodated as well. "About one-third of people over the age of 55 have acquired some kind of disability throughout their working life, so we need to get smarter for two reasons - one is attracting people from the entire talent pool, and the other is to retain our ageing workforce," she concludes.

Developing skills 1: apprenticeships

Many organisations - particularly those in the public sector - are facing a workforce moving towards retirement age. Sydney Water, a NSW state government corporation, has decided to get smart about attracting people to the organisation. In 2007, Sydney Water took on 15 new apprentices, bringing the total number to 24. The apprenticeship program provides training in the mechanical and electrical trades areas. "We've got a number of entry-level programs, including graduate programs, apprenticeships, as well as traineeships across our existing workforce," says Peter Mills, HR director, Sydney Water. "We have very low staff turnover at the moment, but there's an age bubble moving through the organisation and we expect to lose a lot of workers to retirement in the future - so we're training people up to replace them."

Although it used to be known as a youth program, Sydney Water has shifted its focus towards attracting candidates of any age. The program now attracts school leavers looking to learn a trade and also mature age workers looking for a career change. "Any entry-level position will not be aimed at any particular age group - it's based on the type of person we want or the skills we want. We don't really care if it's a 30-year-old apprentice or a 21-year-old new graduate - it's an entry-level position," says Mills.

Sydney Water does not do all the training in-house, but rather uses a group training organisation (GTO). "The main reason for that is because we don't believe we can offer them all the skills to become a tradesperson. Also, it's like a try-before-you-buy situation. With a GTO, if the person doesn't work out you can send them back. The other thing to bear in mind is there's no guarantee that people will retire - some people might stay beyond the age you might expect - so we can't really guarantee a job at the end. This program gives us that flexibility," Mills notes.

The apprenticeship program is just one part of a multi-pronged skills development program at Sydney Water. The organisation also has 70 trainees employed in civil maintenance and construction. The employees receive on the job training for two years and after completing their competency based training they receive a Certificate 3 in Civil Construction from TAFE. Surprisingly, Mills does not consider the people who complete these programs as being tethered to Sydney Water. "We take the view that we train them, we use them, but we also take the view that if you get five years out of someone you should be happy with that. They should be able to use those skills elsewhere," he says.

When developing the skills of new and established workers, Mills says it is important to be flexible and always consider the end goal. "Keep in mind that it's not just the organisation's objectives you've got to consider, it's the individual's as well. If you help

the individual achieve their objectives, usually you do pretty well as an organisation. It works both ways, and if you treat it like a partnership it should go well," he notes.

Developing skills 2: internships and cadetships

Unlike apprenticeships, which require the program to be registered by the Department of Education, Science and Training (DEST), internships are relatively easy to set up - and are particularly attractive for young people looking to get work experience. APM Training Institute is one company that has set up a well-respected internship program to help its graduates move through to full-time work. APM offers full-time advanced diplomas in business marketing with majors in advertising, PR, events management, entertainment, events management and sports. As part of their course, students are required to undertake an internship with an organisation working in their designated field. If the student progresses well they are offered more permanent cadetships.

"The internship is where a student goes into a company two days a week for the last two terms of their course - so it's over 300 hours. At that stage they've had six months of training and they're up to speed where they'd be able to write a press release if they went to a PR company. It's not about filing and photocopying. They are a real employee in this company. Although they're not getting paid, they're working the same hours under the same conditions, and have a lot of responsibility in some cases," says Allison Deskovic, student and industry liaison at APM Training Institute.

The internship program proved so successful that participants were being poached by competing firms at the end of their time with the company. To prevent this, APM developed a cadetship program. "Over 40% of our internship students are hired by their company, and over 80% of our internship companies said they would employ these people if they had the capacity to do so. The students get exposed to a lot of areas during the internship, so the cadetship allows the internship company to keep that student if they desire. The cadetship is a one-year employment contract after their internship," Deskovic explains.

Demand is outstripping supply. APM now has over 300 companies applying for internships but there are only 150 interns per year.

Deskovic feels the benefits for the internship companies are enormous. "These companies get those students for six months for free. There's no financial commitment for the company - we insure our students as well - so in a financial sense it's a no-brainer," she says.

Although APM provides documents and manuals on how to set up effective in-house programs, the key to the program's success is its flexibility. "Some companies will take the intern around a number of departments and others will get them developed in one area, so it's not so rigid. They get practical workers. They don't get someone who needs their hand held, so they don't need to spend a lot of time in a babysitting role. The students are ready to hit the ground running. And the students gain valuable experience and know what they need to do to get a job offer at the end of it," Deskovic says.

The role fits the candidate

Whatever option or options are taken, it is clear that it is not 'checkmate' just yet - there are recruitment options available to those organisations willing to look beyond the

imaginary 'perfect candidate'. In the US, employers are increasingly not defining the boundaries established around a role until they find a person to fill the role - ie the role is fitted around the candidate, rather than the other way round. Taking this approach, as foreign as it may seem to traditional practice, is perhaps the only way Australia will bolster itself and survive the war for talent.