

Advantage Partnership Executive Search Pty Ltd

ACN 054 248 458
ABN 28 054 248 458

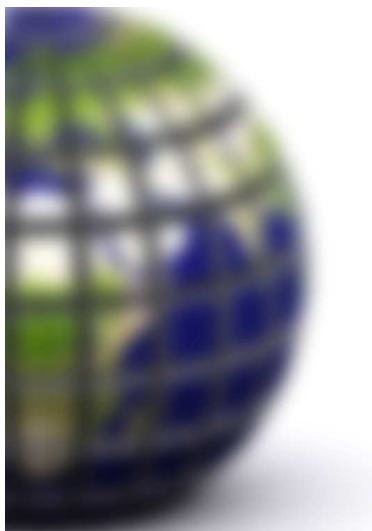


Employment Strategy in Australia

Advantage Partnership Executive Search
Suite 2, Level 9, 428 George St
Sydney NSW 2000

Contents

1. Australian Employment Information
2. Employee Job Satisfaction and Expectations
3. Strategies for Retaining High-Quality Employees



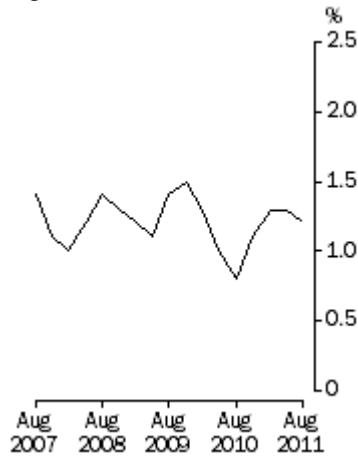
1. Australian Employment Information

Wages

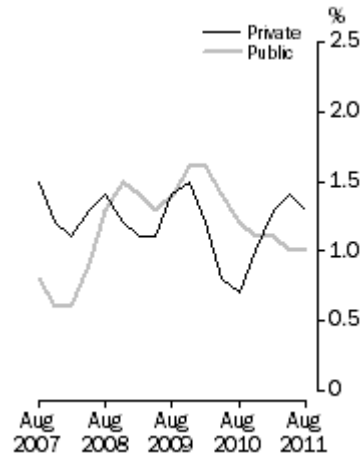
Australians average weekly wage: \$ 1,023.50

There are however large disparities between the different sectors. In May 2010 Managers had the highest average weekly total cash earnings (\$1,848.90) while Sales workers had the lowest (\$578.60). Managers comprised 8.9% of all employees and Sales workers comprised 10.8% of all employees.

Full-time adult total earnings, Quarterly % change in trend estimates - All Sectors

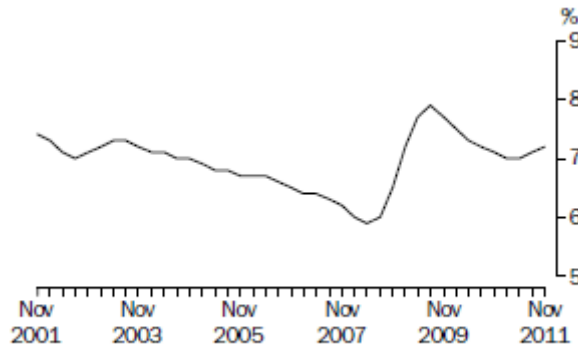


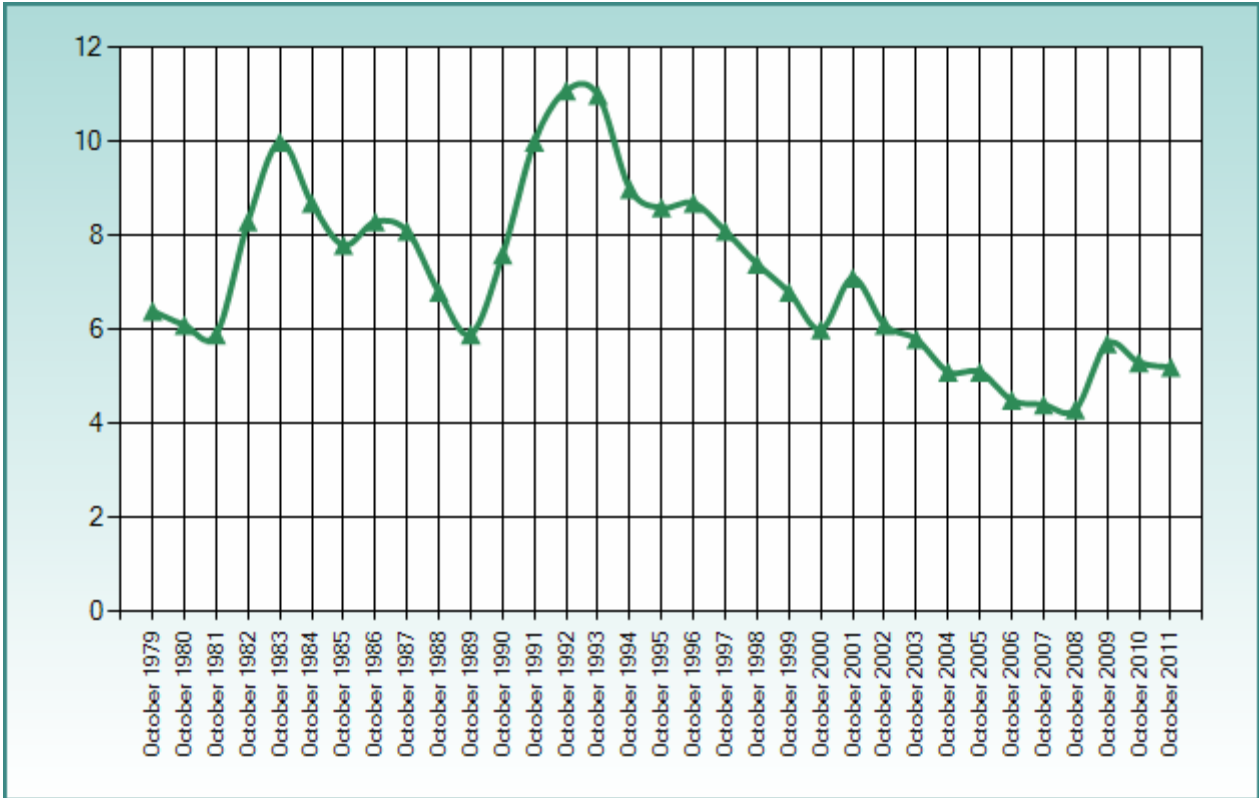
Full-time adult total earnings, Quarterly % change in trend estimates - Private and Public



<http://www.abs.gov.au/ausstats/abs@.nsf/mf/6302.0>

The trend estimate of the underemployment rate for persons generally fell from 7.4% in November 2001 to 5.9% in May 2008. The trend then rose to 7.9% in August 2009 before generally falling to 7.0% in May 2011 then rising to 7.2% in November 2011.





Unemployment Rate, October 1979 - October 2011 (%)

This page last updated 7 December 2011

<http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/6202.0Main%20Features3Nov%202011?opendocument&tabname=Summary&prodno=6202.0&issue=Nov%202011&num=&view=>

National	5.3%
NSW	5.3%
QLD	5.7%
VIC	5.3%
SA	5.3%
WA	4.2%
TAS	5.0%
NT	4.1%
ACT	3.8%

Chart Source : ABS Labour Force Survey. Seasonally adjusted data except for Northern Territory and the Australian Capital Territory which are trend data.

2. Employee Job Satisfaction and Expectations

What management qualities are valued?

1. Openness and honesty
2. Ability to follow up their words with action
3. Support of their team
4. Ability to encourage and listen to suggestions
5. Leadership
6. Ability to provide regular feedback

(Seek.com)



Factors that are extremely important to job-seekers when looking for a job:

- | | |
|--|-----|
| 1. Quality of management | 53% |
| 2. Job security | 48% |
| 3. Career Development | 46% |
| 4. Salary | 45% |
| 5. Variety and content of work | 44% |
| 6. Workplace environment | 43% |
| 7. Work Colleges | 42% |
| 8. Feedback/Appreciation | 40% |
| 9. Benefits/Conditions | 36% |
| 10. Hours of Work | 35% |
| 11. Company Direction and Goals | 35% |
| 12. Access to training or Skills Development | 31% |
| 13. Low Stress | 25% |

(Seek.com)

Survey of Japanese Workers “What is the main aim of working?”

- To earn money.....49.5%
- To find a purpose.....22.5%
- To fulfill role as member of society.....11.7%
- To develop skills and abilities.....9.6%

Up until 1999, “To find a purpose” was the most common response. Money became the driving factor from 2001 possibly due to the fact that at the time unemployment surpassed 5% for the first time in decades and job security became more important.

From the same survey, generational trends were also apparent. Younger people tended to focus on money whereas those over 60 gave more importance to their role in society and finding a purpose. This could possibly be attributed to the greater financial needs of younger people associated with raising families and providing security for the future.



3. Strategies for Retaining High-Quality Employees

According to a study by Mercer Human Resources Consulting the total cost of staff turnover can be quite high.

COT= Cost of Turnover

COT includes:

- Opportunity cost during the time it takes to find a replacement
- Loss incurred as a result of other staff members having to cover for the vacated position
- Possibility that it may result in a chain reaction of more resignations
- Opportunity cost of such subsequent resignations
- The cost involved with finding selecting a suitable replacement
 - Advertising costs
 - Recruitment agency fees
 - HR Department opportunity cost
 - Initial placement fee for replacement
 - Costs incurred while replacement learns the ropes (low productivity and opportunity cost)
 - Training cost of replacement.

Therefore it is in a company's interest to invest in strategies to retain their high-quality employees. Such strategies may include:

- Linking rewards system with strategic goals- involving the employees in decision-making and providing incentives
- Providing training which is relevant to their employment as well as broader training that contributes to their personal career development
- Ensure that management promotes a belief in employees and develops a trusting relationship
- Ensure that managers have the relevant skills- i.e. it is often said that "people don't leave their jobs, they leave their managers"
→ 60% of workers are unhappy with their employees (Seek.com)
- Identifying problems at an early stage by developing and maintaining good lines of communication between employees and management. While exit interviews can provide valuable feedback it is important to obtain such information at an earlier stage to prevent losing key employees.

This can be achieved by:

- surveys
- interviews
- focus groups or group interviews