Advantage Partnership

*Member of RCSA**

Recruitment Specialists

Employment Strategy in Australia

* RCSA: Recruitment & Consulting Services Association
- Governing body of the employment services industry
- Almost 3000 members in Australia and New Zealand

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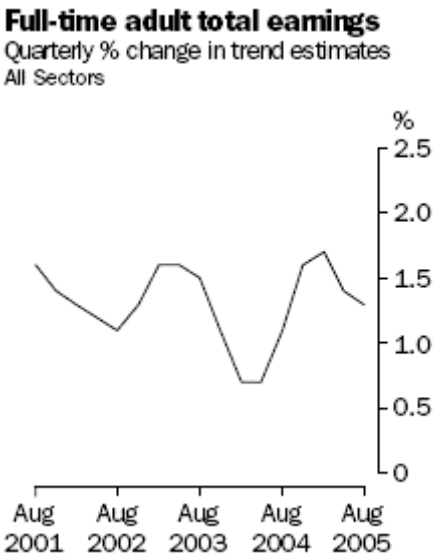
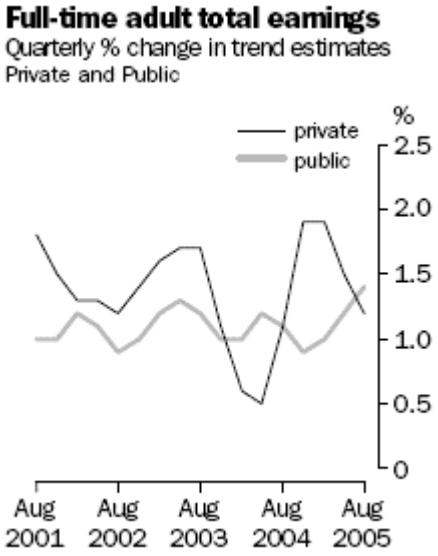
1. Australian Employment Information

Wages

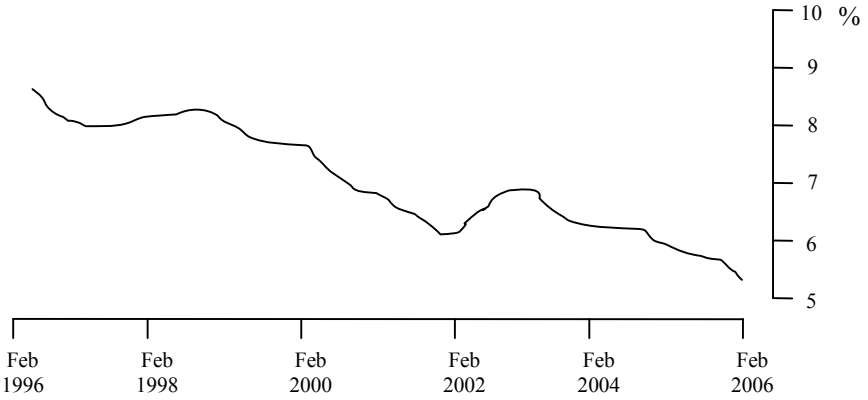
- Average wage level: $53,000 (62% of workers below this level)
- Large disparities between the different sectors as shown by the average wage level in the Mining Sector of $81,000





(Australian Bureau of Statistics, 17/11/2005)

Unemployment Trends



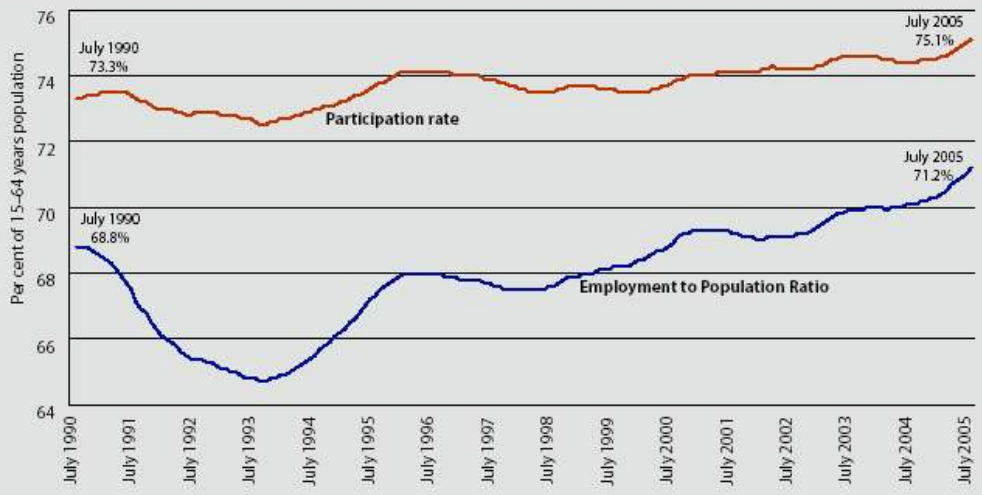
Trends in Unemployment Rate
(Australian Bureau of Statistics)

As can be seen from the above graph, unemployment in Australia as been on a downward trend since the mid-1990s. This has resulted in increased pressure on wages.

Present Unemployment Levels
(As of 4th May 2006)

National	5.2%
NSW	5.1%
QLD	4.8%
VIC	5.5%
SA	4.8%
WA	4.0%
TAS	6.9%
NT	4.8%
ACT	3.4%

Figure 1: Employment and Participation Rates for Persons Aged 15 to 64 Years



Source: ABS Supertables—Table LM8 (2005). Trended by DEWR using 12 month moving averages.

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

	Extremely important
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. People I work with	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 fulfil role as a 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 main 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 costs involved with finding a selecting a suitable replacement
    - Advertising costs
    - Recruitment agency fees
    - HR Department costs
    - 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

- Provide 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 employers (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