

After GFC staff turn the tables

A growing number of jobs means bad employers will struggle to fill positions

JO STUDDERT

RECRUITMENT pressure is building everywhere for professionals, but especially in the mining, the utilities, and the resources sectors.

Most employers are concentrating their efforts on finding enough staff with the right experience and qualifications to meet their company's immediate and short-term needs.

Employers are trying to build up teams to face the flood of mining, power and infrastructure projects that are expected to burst on to the horizon over the next few years and many are doing it from the disadvantaged position of having downsized their staff numbers during the global financial crisis. Others cut numbers even further in the years following the GFC, fearing that there would be a double-dip recession and that fear caused more project suspensions. Others cut projects and numbers because of the mining tax and the uncertainty it bred.

The race is on to snaffle staff now, or at least get them lined up, and many companies, including high-paying miners in eastern states, fear no one will be able to compete with miners in the golden west who are already famous for paying huge salaries, even to support staff.

But recruitment companies say that a greater challenge for Australian companies lurks in this race: the challenge of not losing current staff to poachers and of keeping new employees once you've got them.

"Companies need to put a retention strategy in place today," says Vantage Human Capital managing director Richard Dunks, whose firm consults on executive human resources.

"There are more jobs around now than there were 18 months ago and it has markedly picked up in the past six to ten months, so if your staff is discontented and start looking around, as more jobs get advertised, there is going to be a lot of movement," Mr Dunks says.

Bradman recruitment director Michael Green also agrees that retention strategies are particularly vital just now.

"Before the GFC, Australia effectively had full employment and expected the economy to recover in traditional ways once the crisis was over, but it hasn't. In previous downturns, employment did not start to rise for about 12 months after the event," Mr Green says.

"Companies, expecting this, did not boost their staff numbers once the GFC was over. But, this time, employment figures began improving immediately. By next year, we will be back to effective full employment. If you don't have a retention strategy in place, you'll start to bleed staff because everyone will be poaching."

Mr Dunks says clever management of human resources is the best thing a company can do.

"Managers need to identify key talented people and have a plan for their advancement over the next four or five years. If they don't, they'll lose them. You know



Vantage Human Capital managing director Richard Dunks

the adage: people don't leave companies; they leave managers. It really is up to the managers to come up with strategies to retain their good people," he says.

Mr Green believes companies with a higher than average staff

turnover have other problems as well, such as poor management generally, poorly designed jobs, and poor recruitment choices in the first place. There is no point, he says, trying to retain people who aren't fitted for the job in the first

place, or whom you have placed badly or failed to train properly or promoted intelligently.

So what is the essence of a good retention strategy?

"Keep them happy," Mr Green says. "I'd try to keep them as happy

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RICHARD DUNKS
VANTAGE HUMAN CAPITAL

as I can. Subscribe to a benchmarking company and pay above the average on salaries and bonuses. Once you get good staff, you have to do everything you can to keep them. If you think the Peter Principle is at work and that a good staff member has reached his or her capacity in a role, don't let them moulder there. Give them variety, train up other skill sets they've not concentrated on in the current position. Think how you can best help them and how they can best help you."

According to Mr Dunks, a happy workforce is always a more productive one. But what creates a happy, efficient and productive workforce?

"There are several elements that dovetail," he says. "Yes, you need a well-planned recruitment drive to get the right people. Yes, you need to offer attractive remuneration, but in the end it is how people are treated."

Staff who took pay cuts during the GFC on future promises will leave if those promises are not honoured because of the sense of being treated shabbily.

"One important factor in a happy workforce is management being familiar with and comfortable about industrial relations. IR is often the elephant in the corner, but HR managers who have a good relationship with union bodies generally have a happy workplace. The elephant needs to be addressed," Mr Dunks says.

Equally, he says, managers must not ignore warning signs — increases in absenteeism, tardiness, or staff coming in at odd times ("They are already off at interviews.") Look, too, he says, for changes in attitude and energy and delivery levels. "When you see these, ask what has changed. Find the problem. If you don't, their needs turn into demands and you have effectively lost your staff."

Keeping staff happy, Mr Green says, is not only the most effective retention strategy, it is also "a very civil policy".

KEVIN BULL