TOMORROW’S WORKFORCE

Leverage emerging trends to future-proof your workforce. Research & insights for an impact on your world of work in 2012.
What will a typical workplace look like in the years ahead? Globalisation, the impact of rapid technological advances, generational issues and a new requirement for ‘orange collar’ skills as a result of our resources boom are just four issues that will shape the jobs market of tomorrow and the way in which people look for and secure their next job.

In this white paper we explore these issues and their consequences for successful recruiting so you can future-proof your workforce. We also surveyed 874 employers and candidates in March 2012. Their insights as well as ours are presented here to help organisations and recruiters alike leverage emerging trends to successfully attract and secure the top talent tomorrow.

We believe the following four key factors will shape the way in which both organisations and recruiters attract, secure and retain talent in the coming years:

1. Globalisation will create a global talent pipeline that necessitates wider attraction strategies. MNCs have a clear advantage, but domestic organisations can also use our suggested attraction strategies to compete for the global pool of skilled professionals.

2. Technological advancement will lead to new methods of talent management, including how hiring managers connect with potential recruits. The use of new technology in background checking needs to be carefully considered, while it is also redefining our concepts of the traditional ‘workplace’, job functions and job applications. The benefits of new technology in the workplace, and its impact on the employment relationship, are also addressed. Finally, we look at the impact of new technology on the work/life blur.

3. Diversity in all its forms, particularly generational issues, needs to be considered since our workforce in 2030 is likely to span five generations. We explore generational characteristics and the importance of focusing on not only the new and emerging generations but our experienced baby boomer workforce. We also explore gender diversity.

4. Orange collar is the new phrase coined to describe the unique needs of organisations involved in Australia’s resources boom. The term ‘orange collar’ refers to much more than the dress code of these workers. It refers to candidates who possess highly technical and specialist skills, are willing and able to work in remote locations, possess the necessary training and tickets, have the right attitude to compliance and are willing to commit to a project long-term.
It's one thing to know what a typical workplace will look like in the years ahead, but another to know what to do about it. In this white paper we not only explore the four issues of globalisation, the impact of rapid technological advances, generational issues and the new requirement for ‘orange collar’ skills, but we also present our suggestions on how you can leverage these trends. In summary they are:

**Globalisation:**
- Take advantage of Australia’s strengths to attract from the international candidate pool;
- Be ready to compete with other countries for the global pool of skilled professionals;
- MNCs can leverage their international workforce to manage ebbs and flows in business activity;
- Align strategy, investments and operations;
- Domestic organisations can attract talent from a global workforce willing to cross borders;
- Place importance on soft skills, such as cultural understanding and adaptability; and
- Consider an international candidate’s practical considerations during the recruitment process.

**Technological advancement:**
- Build a successful online presence to connect with potential recruits, including Facebook and LinkedIn;
- Research, listen and identify potential audiences;
- Involve the business, but do not become preoccupied with a single area of technology;
- Maintain a personal touch;
- Launch a mobile device-optimised version of your careers pages and consider a career app;
- Enable candidates to apply for jobs via their smartphones or tablets;
- Use social media background checks wisely;
- Embrace teleworking and the new definition of a ‘workplace’; and
- Develop a policy for the use of social media for work related matters, for personal matters at work, and what can and cannot be said about your organisation in the social media world.

**Diversity in all its forms:**
- Be prepared to manage five generations – know how each generation likes to be managed, what they value and how they work;
- Understand what constitutes work/life balance for each generation;
- Use training and mentorships to give Generation Z the business tools for success;
- Make training ‘byte-sized and bite-sized’;
- Know how to communicate with a generation content with 140 characters or less; and
- Don’t ignore the Baby Boomers – put in place strategies to enable them to remain in the workforce.

**Orange collar:**
- Understand what constitutes an ‘orange collar’ worker; and
- Learn from employers involved in the mining boom – how do they deal effectively with skills shortages and what strategies can you implement?
The fluid mobility of skilled professionals across borders will be the norm in our globalised jobs market of tomorrow. It will be driven by substantial demographic changes as well as the changing attitudes of employees themselves, who are becoming far more accepting of overseas secondments. The global financial crisis has also shaped the attitudes of the candidate pool, many of whom have already relocated from countries where the economy is yet to recover to countries where job opportunities are greater.

To future-proof their workforce, global organisations can today start leveraging their international workforce to manage ebbs and flows in business activity, while domestic organisations can attract talent from a global workforce willing to cross borders.

A global talent pipeline

One natural consequence of globalisation has been an increased flow of skilled migrants across borders. Research by PricewaterhouseCoopers (PwC) shows that the number of people working outside their home country will increase by 50 per cent between 2010 and 2020.

Our workforce is already heavily reliant on skills from overseas. According to the Australian Bureau of Statistics, as at 30 June 2010, 5,993,945 Australian residents were born overseas (or 6.8 per cent of the total Australian resident population). The statistics suggest this figure will grow substantially in the future since in the 10 years to June 2010, the number of Australia-born residents increased at an average rate of 1.0 per cent per year, while the number of overseas-born residents increased at an average 3.1 per cent per year.

But this figure refers to Australian residents rather than solely those in our workforce, which includes those from overseas on temporary working visas. According to our survey of employers, in 15.5 per cent of Australian workplaces over 40 per cent of staff were born overseas. In three in ten workplaces (29.2 per cent), between 21 and 40 per cent of the workforce was born overseas.

Given the ongoing shortage of particular skills, it is perhaps no surprise that for roles where there is a shortage of domestic candidates, 35.5 per cent of employers would recruit from overseas, while a further 36.8 per cent would consider it. Only one quarter (27.6 per cent) of employers would not consider recruiting from overseas for skills-short areas.

If there was a shortage of domestic candidates for a role, would you consider recruiting from overseas?

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<th>Percentage of workforce born overseas</th>
<th>What percentage of your current workforce was born overseas?</th>
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<td>Less than 10 per cent</td>
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In response to the need for skills, particularly the needs of our booming resources and mining industry, we are likely to see additional government initiatives to help access the global talent pipeline. Already the Federal Government has been increasing the number of skilled migrant visas, or 457 visas, on offer.

According to the Department of Immigration and Citizenship figures, the number of subclass 457 primary visas granted from July to end December 2011 was 50.7 per cent higher than the same period the previous year. During this period, 71.6 per cent of primary visas granted were to Managers and Professionals and 0.0 per cent were to Technicians and Trades Workers.

The Northern Territory saw the highest percentage increase in applications granted from July to end December 2011 compared to the same period the previous year, up 107 per cent. This was followed by Western Australia, where applications granted were up 98.9 per cent, the Australian Capital Territory, up 97.3 per cent, and Queensland up 70.7 per cent. These four states and territories were well ahead of other states, which is unsurprising given our well documented two-speed economy and the ACT’s unemployment rate.

These figures are also expected to rise. In March 2012, the Immigration Department announced a new fast-tracked system for employer-sponsored skilled workers to become permanent residents. This simplification of the process commenced in July 2012. It has increased the upper age limit by five years to 50 and removes language testing. It also streamlines six different permanent employer-sponsored visas down into two new visas. So the process is becoming far simpler for both employers looking to use overseas skills, as well as overseas job seekers considering working in Australia.
Then in April 2001, a new streamlined plan was announced to bring skilled US workers to Australia in order to fill gaps in the labour market, especially in the engineering and trades sectors. As Minister Chris Bowen pointed out during the announcement of the plan, "In Australia we have no trouble attracting skilled migrants. The real challenge is ensuring we attract the skills needed". This plan is another welcome step in that direction.

In May 2001 it was announced the government will fast-track the migration applications of wealthy business people prepared to invest at least $5 million in Australia to help address skills shortage. But by late May a new challenge to the use of overseas skilled workers was created in the public’s reaction and union backlash to Gina Rinehart’s use of foreign labour for her massive Roy Hill project. It was announced that up to 1,715 workers can be sponsored for the three-year construction phase if Australians cannot fill the required roles. Paul Howes, Australian Workers Union national secretary, was outspoken in his criticism but as Gary Gray, Special Minister of State noted, “It’s also important that we understand what we are doing here is ensuring projects can be built on time and on budget.”

There were also initial concerns that the cut to the Living Away From Home Allowance (LAFHA) may impact an employers’ ability to attract overseas talent to Australia. But that has now subsided and only one quarter (23.8 per cent) of employers we surveyed think it will have an impact. The remaining 76.2 per cent feel that the cut to LAFHA will have no impact on their ability to attract overseas talent.

But ultimately the movement of skilled workers across borders will continue, both into and out of Australia, as we become more and more globalised.

And this is an important point – the movement of candidates will be both ways, with skilled Australians leaving to explore overseas opportunities just as skilled workers from overseas explore opportunities in our domestic economy. According to our survey of candidates, 71.1 per cent are willing to work abroad at some point in their career.

In addition, the overwhelming majority of both employers and candidates surveyed (90.7 per cent) believe that in future it will become more common for people to develop their career across multiple borders.

As our survey shows, the attitudes of employees towards global mobility are changing and they are far more willing to work abroad. This is not a situation that is unique to Australia. For example, three quarters (74 per cent) of the professional workforce in Ireland would consider leaving in the next three years if the economic situation does not improve. In fact, of those surveyed one third (35 per cent) had already left the country for work – some to pursue an opportunity and others because they had no other option. Of these, 15 per cent came to Australasia.
Australia has many advantages when it comes to international candidate attraction. According to Hays GlobaLink, which offers coordinated recruitment services between the UK and Australia, candidates in the UK are attracted to roles in Australia for several reasons. The most common are our positive economic conditions and mining boom, which are well publicised in the UK.

Another factor is the career growth potential available in Australia compared to the UK. Candidates who work in the UK’s construction, financial services and legal sectors in particular have become more interested in Australian vacancies given the economic conditions in Europe and associated budgetary cuts, which have hindered career growth potential.

Another attraction is our outdoor lifestyle, while word-of-mouth is a huge pull factor as many candidates know a friend or family member who has migrated to Australia.

**Threats**

But threats to our global supply of talent exist. Samuel A. DiPiazza Jr, Global Chief Executive Officer of PricewaterhouseCoopers, has said: “In my 30 years experience I have never seen such an incredible shortage of talented people - whether it is in Germany, Brazil, China, India or Kansas.”

Thus Australia is not the only country vying for the global pool of skilled professionals. Global and overseas organisations are rapidly developing strategies to deal with the skills shortages, as are governments in other countries. Canada for instance recently proposed changes to immigration policy to help employers fill vacant jobs. In the United States of America, immigration will see their working age population rise by 18.1 million by 2030. In Asia, when recruiting in skill-short areas, 66 per cent of employers said they would consider employing or sponsoring a qualified overseas candidate.

Substantial demographic changes are another treat to our global talent pipeline. While the world’s working age population will grow by 21 per cent or 931 million people by 2030, all of that growth will occur in developing economies. 534 million will come from less developed countries while 398 million will come from least developed nations. At the same time, the workforce in most developed economies will plateau, decline and age – in fact it will contract by one million people.

Thus a substantial talent shortage will emerge in developed economies – where most of our skilled migrants originate – as our working population shrinks and ages, while a large pool of talent will exist in developing economies. In such a market, attracting skilled migrants in developing economies will become imperative for businesses large and small, global and domestic.

China and India are investing heavily in building a world-class university system and the Harvard Business Review notes that India “may already have the greatest engineering and medical schools in the world.” In addition, according to the 2011 Global Relocation Trends report, compiled by Brookfield Global Relocation Services, China, Brazil, and India are the primary emerging destinations for international assignees. So clearly Australia is not the only country taking steps to compete for the top talent.

The report also notes that other threats come in the form of partner resistance, family adjustment, children’s education and location difficulties.

**The MNC advantage**

Multinational corporations (MNC) operate within all industries. These giants of their industry have a distinct recruiting advantage over domestic competitors in the form of an existing global talent pool, which they can shape and move to match the needs of their business as required. In other words, they can move people to where the work is or the needs of the business are greatest.

Global mobility can also be used to overcome a shortage of skills in one particular location. It can be used to not only develop the experience and skills of the assignee, but to develop the skills of local employees.

According to our survey of multinational organisations, two thirds (63.2 per cent) would consider overseas secondments to fill vacancies or manage ebbs and flows in business activity. Of these, the majority would consider overseas secondments for select vacancies only, rather than for all vacancies.

![Survey results](image)

Secondments are also a sensible retention strategy, since according to our survey of candidates three quarters (73.9 per cent) are more likely to remain with an organisation longer if it can provide the opportunity to transfer between global offices.
The use of this strategy will increase in the years ahead. A PwC study showed that the average number of countries in which employers host employees will increase to 33 by 2020. According to their survey of CEOs globally, more than half plan to send more employees on international assignments. The number of international assignments among MNCs has already increased 25 per cent over the past decade and PwC forecasts a further 50 per cent growth in the next ten years.

MNCs are also using global mobility as part of their retention strategy. Offering cross-border employment options to top talent allows an organisation to retain the knowledge and experience of valued employees who would otherwise leave the business for roles overseas.

**Assignment type**

But global mobility is not a one-size fits all solution to future-proofing your global talent pipeline. Each assignment must be assessed on an individual basis to accommodate both the needs of the business and those of the assignee.

For instance, will an assignment be long-term, short-term or commuter? Long-term is typically defined as an employee relocating to the new country for more than one year. Short-term is usually an assignment of less than one year, while commuting occurs when an employee is either based in their home country and commutes regularly to another country, or works in one country and commutes home regularly.

In addition, technological advances are leading to a new type of assignment. Rather than a physical relocation, an organisation can utilise technology to enable an employee to work from their home country to remotely work on a project in another country.

**The importance of strategy**

For MNCs considering the use of global mobility, it is important to align strategy, investments and operations. In an article published in their Deloitte Review magazine, Deloitte notes that to manage and improve the return on global mobility investment, organisations should first design a global mobility strategy that supports the organisation’s business and talent development goals. In other words, what do you want to accomplish in the market and what do you want your talent to learn about working in a global environment?

According to Deloitte, in this way assignments are guided by ‘how each move will help further the organisation’s business and talent development objectives’ and the assignee has ‘clear direction on what he or she must accomplish’.

Next an organisation should align the cost of the assignment with the expected assignment value. In other words, ‘tailoring the cost of each assignee’s rewards and support package – the assignment policy under which he or she travels – to the value he or she is expected to generate while on assignment’.

Finally Deloitte says that advice from a dedicated global mobility expert may be required, but routine responsibilities should fall to HR to ‘help refocus the global mobility function on higher-value activities’.

**RPO for global expansion**

Recruitment Process Outsourcing (RPO) is the process whereby an organisation outsources part or all of its recruitment to an external supplier, integrating closely with HR to overcome hiring challenges across the whole organisation. Many MNC’s utilise RPO providers both locally and across broad geographies driving competitive advantage through sourcing from the global talent pool for key roles while driving quality and cost improvements within their organisations. RPO is used by multinational employers to harmonise their practices and expand into emerging markets. This is a clear competitive advantage when operating in multiple countries to ensure you secure the top talent globally. Some smaller organisations are utilising global RPO providers with broad geographic footprints to leverage this advantage in skill-short and highly competitive labour markets.

For example, one of Hays’ large RPO clients utilise a service that stretches across Europe, Asia and the Middle East with significant movement of highly skilled workers into developing countries. The RPO has provided a consistent hiring experience and an integrated training and talent management approach that ensures knowledge is shared within the organisation and skills gaps are quickly closed.

**Salary equality**

For MNCs with a global workforce moving between locations, salary equality must be addressed. Of course local trends and conditions need to be taken into consideration, and immigration assistance, relocation assistance and temporary accommodation will remain standard, as will cultural and language training if required. But inflated salaries need to be modified and move in line with local rates and an assignee’s new local colleagues.

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**Are you likely to remain with an organisation longer if it can provide you with the opportunity to transfer between its global offices?**

- Yes
- No
Attracting from a global talent pool

But what if your organisation is not a global giant? How can you use globalisation to future-proof your workforce?

Global connections

To benefit from globalisation you need to access the global talent pool. According to Hays GlobalLink, which is regularly asked by Australian employers to attract talent from the UK, Europe and other international regions, the first step is to tap into the relevant local markets.

For example, Hays GlobalLink contacts our offices in other countries to access their candidate pool. Recently an engineering firm needed between 30 and 40 engineering professionals. The team collaborated with Hays' offices in both the UK and Ireland to promote the roles to their candidate pools and source candidates. A number of those candidates are now working in Australia.

If you are unable to tap into an existing candidate pool, you may need to undertake advertising and website campaigns. Such campaigns have been very successful when attracting candidates for the resources and mining industry in particular.

You can also attend UK and European migration events. For example, Hays GlobalLink recently attended two high profile migration events in both London and Manchester. Hosted by the Department of Immigration and Citizenship in London, the ‘Skills Australia Needs’ exhibition provided Hays GlobalLink with an opportunity to attract, register, pre-screen and build a pipeline of skilled engineering, resources and healthcare professionals. Events such as these provide excellent high profile branding opportunities for employers.

Other considerations

As a result of global attraction, referencing procedures will become more detailed, and we discuss this further in point 2, technological advancement. Organisations must consider how technology is used to not only screen but interview and test individuals from overseas, and engage employment lawyers to oversee visa requirements and all necessary paperwork.

The use of mentors, which is already rising as a means of developing staff internally, will become even more important to help overseas talent adapt to not only the new workplace but also life in a new country.

We also expect to see expatriate packages disappear and be replaced with local rates. As noted earlier, salary equality is important. Already this is starting to occur in Asia, particularly in Singapore and Hong Kong where employers will cast the net wide when a suitable local applicant cannot be located, but are reducing expatriate packages. In addition, those employees that were on expatriate packages have been converted to local packages and benefits such as housing and living allowance have been incorporated into the base salary\(^1\).

The importance of soft skills

Those organisations already recruiting from the global labour market typically look for candidates with not only the required technical skills, but additional soft skills such as:

- Cultural understanding: Among foreign candidates with similar educational and professional backgrounds, employers prefer those who have some study or work experience in Australia as they can adapt to the working environment easier and have a good understanding of culture difference, people behaviour and business tradition.
- Adaptability: When recruiting from the global labour market employers look for candidates who can accept and adapt to a new workplace quickly. In an interview, look for candidates who can demonstrate, with examples, how they have adapted to new situations or working environments in the past.
- Stability: In an interview you should also look for evidence of the candidate’s long-term retention potential. Ask about their stability and long term plans to stay in Australia.
- Bilingual skills: If necessary, your interview should be conducted in dual languages to test the candidate’s language skills.

What you need to know

MNCs that relocate staff usually have established procedures and processes in place – and extensive checklists to follow. But domestic organisations may not have established such processes yet.

While there are a myriad of things to consider, and which your recruiter can assist you with, in our experience of finding jobs for people internationally, a candidate’s main practical considerations include:

- Visas: These are usually arranged by the organisation, but make sure you communicate each step with the employee so they are aware of progress;
- Flights and initial accommodation: Again, these are usually arranged by the organisation but check that they are suitable with the employee before they are booked;
- Shipping of possessions: This is often arranged by the organisation, or if not, subsidised. Provide information on what they can and cannot bring into the country;
- Local schools: If applicable, provide information on the local schools or childcare facilities in the area;
- Work for partners: Setting up a meeting between the candidate’s partner (if relevant) and a local recruiting expert can help alleviate any concerns or answer any questions they may have about their prospects for securing local roles. Some partners opt to be a trailing spouse (in other words, they accompany their partner but do not work themselves). But in many cases, after several months they feel isolated and look for employment options. If they have been given recruitment contacts they can easily commence the job search process;
• Involve the family: Along with schooling for children and a job for partners, the relocation process is greatly assisted if the organisation and recruiters take the time to involve the candidate’s family in the process;

• Support: Offer the employee, and any family accompanying them, support to ensure they settle into their new surrounds. This can include housing assistance, relocation allowance, helping the employee’s partner find work and providing information on local schools if required. They may also need support from the local team to understand the business culture in their new location.

• A local representative: A relocated employee usually adjusts more quickly to life in a new country if a local liaison is appointed to help them with queries and issues. This involves more than just how to use the fax or who to contact for IT support. This person should offer practical advice on issues outside the workplace, such as contacts for local services, public transport advice, advice on where to shop, help with arranging tradespeople or where the nearest doctor or medical service is located.
2. TECHNOLOGICAL ADVANCEMENT

New technology & talent management

Determining the best way to integrate technological advancements into talent sourcing, engagement and throughout the recruitment process will be a significant challenge we’ll all face if we are to future-proof our workforce. According to a study released by Canon, 43 per cent of business leaders believe that technological advancements will pose more challenges than general company changes, people changes or wider economic/legislative changes.

Connect with potential recruits

Social media should be considered for its ability to connect with potential recruits. According to our survey of employers, organisations are slowly beginning to use such tools to communicate their employee value proposition, although the uptake is far from universal. Of those that are using such tools, it is most common to use LinkedIn (68.2 per cent). In addition, 35.5 per cent are using Facebook, 23.4 per cent are using forums, 20.6 per cent are using blogs and 18.7 per cent are using Twitter.

Do you use any of the following Wed 2.0 tools as part of your employees value proposition?

According to a study by employer branding consultancy Potentialpark, 58 per cent of young people expect employers to be present on Facebook, and 52 per cent expect them to be on LinkedIn. 73 per cent agree to the statement: ‘If I find content on Facebook that can help me in my career, I am open for looking at it’. More than a third (36 per cent) believe employers should be present on Twitter.

Our own survey of candidates found that when they look for a new job, 69.3 per cent use LinkedIn, 26.8 per cent use forums, 16.7 per cent use blogs, 15.9 per cent use Facebook and 4.1 per cent use Twitter.

When looking for a new job, do you use any of the following?

According to our survey, 82.2 per cent of candidates use these tools to find jobs of interest. 69.3 per cent use them to research the organisation while 47.3 per cent use them to see what others have to say about the organisation. 26.1 per cent use them to promote their own skills and abilities, such as by blogging or via Facebook.

If you ticked any of the above, do you use these Web 2.0 tools to:

We also asked candidates if they use social networks to remain in contact with people for potential future job opportunities. Almost half of our candidates said yes, with 7.5 per cent citing this as the main reason they use social networks and 40.3 per cent indicating it is one reason for their use of social networks.
How can you make social media work for you? King & Wood Mallesons are using Facebook to communicate with potential graduate recruits and to post event details or news stories. Many organisations are using Twitter to inform candidates of vacancies as they arise. As Potentialpark notes, it is a short-cut to information and can be quite effective to jobseekers who can search for open positions and catch up on news and inside stories.

You can also connect with potential candidates via LinkedIn. You can become a member of LinkedIn to not only search for candidates, but to build a referral chain, keep in touch with former employees and join and contribute to groups to represent your organisation to social media savvy candidates.

And of course, link the careers page of your website to your relevant social media.

According to Potentialpark, based on the preferences and priorities of jobseekers, to build a successful online presence you should:

- Not try to be present on every channel at once, but make educated decisions where to go next, and then do it right;
- Go through a learning process that typically involves trial-and-error. Hence the content of your Facebook or mobile career pages can vary and develop over time;
- Learn to deal with being exposed to public feedback, rather than blocking it;
- Understand the nature of each channel and what its distinct value is for talent communication – rather than ‘copy and paste’ content from platform to platform; and
- Design your presence from the jobseekers’ point of view. Answer their questions, deliver to their needs and start an open conversation.

Technologically savvy applicants still value the personal touch and still want face-to-face contact with you. According to Potentialpark, candidates “hold out for personal contacts with recruiters”. That’s not to say we should avoid social media. Technology has an important part to play in the recruitment process. With many candidates much more strategic in their approach to online networking, taking advantage of the sites linked to career-related groups and forums is essential. But it must not be done at the expense of face-to-face methods, which remain central to the recruitment process. We need to look at it as just one of the attraction tools that we can use. Taking the time to get to know someone is still crucial in identifying the right role for them and picking up the phone to candidates or meeting them in person just can’t be substituted.

Above all, technology and social media must be used to add value to the recruitment process. Used at the right time and in the right way, it’s a highly effective way of communicating. Used exclusively, at the expense of speaking to people, it becomes counterproductive. Nobody uses only one method of communication or interaction – it’s about using the right method at the right time in the right way.

We also offer this advice to any organisation considering incorporating social media into the recruitment process:

- Research: Find out what is being said online about your organisation, and where it is being said;
- Listen: Continue to listen to what is said about your organisation. You can also use the information as the basis for your future conversations with potential recruits;
- Identify potential audiences;
- Develop a strategy;
- Involve the business – do not restrict your social media efforts to the HR department as candidates want to have peer-to-peer conversations with those in the areas of the business they could work in;
- Select your social media ambassadors well and provide training on appropriate content that will engage potential recruits; and
- Do not become preoccupied with a single area of technology. Social media changes rapidly.

**Maintain a personal touch**

**New technology's impact on job functions**

Advances in technology create new employment opportunities but may also make many of today’s occupations obsolete. A study by the US National Research Council’s Center for Education analysed 93 occupation groups and predicted that 60 per cent of the current US workforce would be displaced by 2030. Did you use social networks to remain in contact with people for potential future job opportunities?

**Yes - it is the main reason**

**Yes - it is one reason**

**No - it is not why I stay in touch with them**

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Right now, the trend is to access relevant information via a smartphone but to wait to formally apply until they are in front of their PC. This means you should either launch a mobile device-optimised version of your careers pages, or use a recruiter with an optimised site and make sure it includes both a ‘Save For Later’ option and the ability to share the job via social media and email. You could also consider a career app.

But that is an immediate response. If we are to future-proof the process, we must enable job seekers to not only research but apply for jobs via their smartphones or tablets. Of course, it also makes sense to capture the candidate’s details at their initial point of interest, since they may not always come back and apply at a later time.

So we must all consider how job seekers can apply for vacancies via their smartphone. This does not simply involve an online application form. Perhaps it could involve matching soft skills, such as attitude, and then if a candidate is suitable they are contacted for their CV. Or rather than manually enter fields, can the fields be filled using existing data stored elsewhere?

It found that improvements in computer functionality in language, reasoning, vision and movement skills will help computers complete certain tasks faster and more cheaply than humans. For example, it predicts that 90 per cent of office and administrative support roles will go, but only 6 per cent of legal occupations.

These findings are supported by our report ‘Creating Jobs in a Global Economy’, compiled in partnership with economic forecaster Oxford Economics, which forecasts an ‘hour glass’ labour market by 2030 where semi-skilled workers are squeezed out of an automated workplace.

This is the result of technological change, which is creating an ‘hour glass’ economy that will force out the middle group of semi-skilled workers whose job can be outsourced.

Already we’ve seen evidence of this. Over the last 20 years jobs that involved repeated, routine actions have been replaced by automated machines and robots. Routine service sector jobs, such as bookkeeping, data processing and call centre operation, are also under threat from automation.

On the other hand, non-routine jobs have generally become more productive and valuable with the use of new technology. The same applies to occupations where face-to-face contact cannot be replaced with a machine, such as in healthcare and education.

At the same time, demand for labour in routine low-skilled occupations that computers and machines cannot replace, like cooking, cleaning, building or driving, has increased.

So the middle group of semi-skilled workers will get squeezed out in this ‘hour glass’ phenomenon as employment rises at the top and bottom ends of the skills ladder.

This will affect those occupations where computers or machines can perform relatively intricate processes that were typically done by people, such as fitting a car engine.

Solutions will be needed to find new jobs that utilise unique human skills and ways to make this economically viable.

That’s why we advise new entrants to the labour force to join industries where technology improvements will increase productivity rather than ultimately replace workers. We also advise them to focus on sectors where developed nations have an advantage, such as pharmacueticals and business services, or that involves face-to-face contact, such as healthcare and education since these cannot be outsourced to developing nations.

New technology & the application process

One of the most immediate technological considerations is the role of mobile devices and smartphones in the application process. Gartner, an IT research and advisory company, forecast that by 2013 mobile phones will overtake PCs as the most common Web access device worldwide. According to Gartner’s forecast, the total number of PCs in use will reach 1.78 billion units in 2013. At the same time, the combined installed base of smartphones and browser-equipped enhanced phones will exceed 1.82 billion units.

What can you do?

Feedback from our candidates shows that many prefer not to apply via their mobile device at present. Just 18.2 per cent of candidates surveyed have applied for a job using a mobile device.

Have you ever applied for a job using a mobile device?

- Yes
- No

Right now, the trend is to access relevant information via a smartphone but to wait to formally apply until they are in front of their PC. This means you should either launch a mobile device-optimised version of your careers pages, or use a recruiter with an optimised site and make sure it includes both a ‘Save For Later’ option and the ability to share the job via social media and email. You could also consider a career app.

But that is an immediate response. If we are to future-proof the process, we must enable job seekers to not only research but apply for jobs via their smartphones or tablets. Of course, it also makes sense to capture the candidate’s details at their initial point of interest, since they may not always come back and apply at a later time.

So we must all consider how job seekers can apply for vacancies via their smartphone. This does not simply involve an online application form. Perhaps it could involve matching soft skills, such as attitude, and then if a candidate is suitable they are contacted for their CV. Or rather than manually enter fields, can the fields be filled using existing data stored elsewhere?
New technology & the interview process

This personal touch obviously extends to the interview process. Despite technological change, you still need to use an interview to sell your organisation, department and employer brand. Face-to-face interviews allow you to get to know a candidate, however if recruiting from interstate or overseas, a Skype interview or another videoconferencing app will likely be used.

In these cases, conduct the interview as you would if it were occurring face-to-face. Be punctual, professional and set the tone. Thank the candidate for their time and explain how the interview will proceed. Apply the same questions you have asked in face-to-face interviews so you have a comparable set of responses to consider.

It’s also important to be familiar with the technology and conduct a test to ensure there are no sound or connection issues. Any technological problems your end will not speak for the modernism of your organisation. You should also make sure that the camera on your computer gives a good view of your head and shoulders. Log on early if you can so that you have time to troubleshoot any last minute issues that may occur.

You should also make sure there is plenty of light in your office and any space behind you that can be seen by the interviewee is clutter free.

Finally, look into the webcam when you are talking, not at yourself, so that it appears to the interviewee that you are making eye contact with them.

New technology & background checking

It is now estimated that more than six in 10 people worldwide use social networks and forums and this figure is rising. LinkedIn alone took sixteen months to get its first million members but the most recent million only took 12 days.

For hiring managers, this content potentially gives a greater insight into a candidate’s character and likely cultural fit with the organisation than an hour of behavioural interviewing could. A recent study in the Journal of Applied Social Psychology suggested that analysing applicants on social network pages is a good indicator of how well he or she might fit in your organisation. But should such information be accessed?

According to our survey, of those employers who are using such tools in the recruitment process, 60.5 per cent do so to gain a deeper understanding of a candidate’s skills. 57 per cent use such tools to validate CV content and 50 per cent use it to screen candidates. One third (33.7 per cent) do so to find out who a candidate associates with.

In March 2012 the interview experience of a New York City statistician was widely reported in our press. This candidate was asked during the interview for his Facebook username and password. According to one news report, he had answered character questions and the interviewer then turned to her computer to search for his Facebook page. Upon discovering he had a private profile, the interviewer then asked for his login information.

While we have not encountered any employers asking candidates for their Facebook password, the story certainly puts the spotlight on what role social media should play in background checking. Technology has an important part to play in the recruitment process. But it is part of the process and must not be done at the expense of face-to-face methods, which remain central to the recruitment process. Taking the time to get to know someone face-to-face is still crucial in identifying the right role for them and behavioural-based interview questions, testing and other forms of background checks will allow you to predict performance in the role as well as cultural fit.

What can you do?

If you want to extend your vetting process to include social media, consider that you need to tread very carefully. According to a Facebook statement, the site forbids “anyone from soliciting the login information or accessing an account belonging to someone else” while giving out login information violates the social network’s terms of service. It has also issued a warning that demands for login information could leave organisations open to legal liabilities.
Where we do advocate the use of social media is through using professional sites such as LinkedIn to verify past employment or education, and through reading content the candidate has blogged, particularly content relevant to the industry or particular job function they are being considered for.

Research by Telstra in late 2011 found that over a third of Australian employers who screen candidates’ social profiles have hired candidates based on positive things they have seen online.

If you decide to use social media as part of your assessment process, then our advice is to remember it is just another tool to consider, not a be-all and end-all. Taking the time to get to know someone face-to-face, using behavioural-based interviews and conducting a thorough reference of previous employers remain the most successful method of assessing candidates.

New technology & teleworking

A new definition of ‘workplace’

Technological advancements will change our definition of a ‘workplace’. Already telecommuting and digital nomads are becoming more accepted while technology will allow greater flexibility in who works when – and where won’t really matter.

Lynda Gratton, professor of management practice at London Business School, says the workplace is changing faster than at any time in her 40-year career and points to the greater use of flexible working as the driver of this.

Qantas is one leader in the field of teleworking, or remote working as it is sometimes referred to. It employs a small number of customer service agents who process telephone inquiries from home. Across Australia there are a growing number of senior project managers operating from home at least one or two days per week for various organisations.

Technology giant IBM was another early adopter of teleworking: about four out of ten employees do not have an office. IBM’s Vice President of HR, Gary Kildare, believes staff are more productive and happier, plus clients get a better service. He notes: “Different technology platforms are coming together, with smartphones and tablet devices allowing access to information wherever someone is. Clients benefit because IBM is ‘always on’, while talented people want to join us because working so flexibly is appealing.”

But Australia is lagging behind many other countries in the uptake of teleworking. In the US for instance, 11 million people currently telecommute at least one day of the week. But just 6 per cent of workers (or approximately 650,000 people) in Australia reported having teleworking arrangements of any form with their employers in 2009.

According to our 2012 survey of employers, 9.9 per cent make telecommuting available to all employees, while in 69.1 per cent of organisations telecommuting is available to certain employees.

The Australian Government is launching initiatives such as the National Telework Week in November 2012 to increase telework uptake in Australia. Partners of National Telework Week include the Australian Human Resources Institute, Australian Industry Group, Australian Information Industry Association, Australian Network for Disability, Local Government Managers Australia, Cisco, the Australian Sustainable Built Environment Council, IBM, Intel, Microsoft, Unity4, Telstra, BlackBerry, Polycom, Infrastructure Australia and the Green Building Council of Australia.

It is not just businesses that are supporting teleworking. The attitudes of candidate towards teleworking also continue to change, with almost one quarter (23.5 per cent) indicating they would not work for an organisation that didn’t allow at least occasional teleworking.
Would you accept a job in an organisation that does not allow its employees to work from home occasionally?

Yes
No

Practical considerations

If you plan to implement teleworking, there are several practical considerations:

- **Where:** Telework 2011, a report by WorldatWork, shows that ‘home’ is still the most common location for telework, with ‘satellite centre’ and ‘hotel’ gaining ground. Companies need to choose carefully the tasks allocated to telecommuters. Typically, ‘piece-work’ such as data entry and word processing can be outstationed because they are tasks with productivity outputs which can easily be monitored. Companies also need to hand-pick the staff suitable for teleworking assignments.

- **Who:** Not every staff member will function well working alone, so assess each teleworking request based on the individual concerned. In addition, teleworking may be more suited to experienced employees. Ann Brown, UK HR Director at technology and consulting firm Capgemini, warns against young people working remotely. She says: “Remote working for more experienced workers shows a mature management style that staff appreciate. But those entering the workforce for the first time learn from working in a physical team. People need to ‘learn to work’.”

- **Overcome isolation:** Regular virtual meetings are important to create a connection between staff and the organisation. For example, IBM encourages managers to hold physical and virtual meetings to prevent staff becoming disconnected or less engaged in work culture. Vodafone’s Global Enterprise Chief Executive Officer holds a webinar every fortnight to discuss important company issues, remind staff of the company’s culture and values, and ensure staff feel a sense of community.

- **Equipment:** Also consider who purchases the equipment to allow an employee to telework. Interestingly, a Unisys ‘Consumerisation of IT’ study found that employees are investing their own resources to buy, learn, and use consumer technologies and applications to get things done in the workplace. Payment of expenses, including broadband charges, should be agreed.

- **Guidelines:** Teleworking requires clear guidelines. Staff must follow the same rules as those working in an office, including treating company information as confidential, keeping equipment and data safe, and adhering to health and safety policies.

- **Insurance:** You also need to consider insurance for equipment supplied by your organisation, and ensure your insurance covers client meetings away from the office.

New technology & the employment relationship

**Mobile devices in the workplace**

According to Clearswift’s WorkLifeWeb report, the benefits of Web 2.0 tools in the workplace include more open communications, better access to information, improved communication with customers and clients and happier and more motivated staff.

But a Unisys study revealed that employees and employers don’t necessarily attach the same value to the practical considerations of mobile devices at work:

<table>
<thead>
<tr>
<th>Percentage who feel it is critical or positive to provide the following</th>
<th>Employees</th>
<th>Employers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employer payment of usage charges for employee-owned devices</td>
<td>76%</td>
<td>71%</td>
</tr>
<tr>
<td>Employer reimbursement for employees devices</td>
<td>68%</td>
<td>78%</td>
</tr>
<tr>
<td>Using social networks at work</td>
<td>85%</td>
<td>58%</td>
</tr>
<tr>
<td>Remote access to corporate APPS and files</td>
<td>70%</td>
<td>62%</td>
</tr>
<tr>
<td>Provision of smartphones with corporate access</td>
<td>66%</td>
<td>64%</td>
</tr>
<tr>
<td>Support for tablets</td>
<td>56%</td>
<td>88%</td>
</tr>
<tr>
<td>Using personal devices for business</td>
<td>53%</td>
<td>79%</td>
</tr>
<tr>
<td>Install corporate apps on personal devices</td>
<td>57%</td>
<td>75%</td>
</tr>
</tbody>
</table>

For a healthy employer-employee relationship, these divides will need to be addressed.

**Social media access**

It is not only your acceptance of new technology in the workplace that is a consideration for candidates. When deciding if they want to work for you, candidates will also consider your attitudes towards social media access. According to our survey of candidates, one in five (19.7 per cent) already say they would not accept a job in an organisation that does not allow its employees a reasonable level of access to social media at work.
A Clearswift study found that if companies were to become overly strict about Web 2.0 policy, 6 per cent of employees would be de-motivated, 14 per cent would try to work around the policy and three per cent would consider leaving the company. Many managers are aware of the issue, with 43% saying cutting off social networks would be detrimental to the company.

Already one third (33. per cent) of employers surveyed allow their employees to access social media at work, while a further 43. per cent allow limited access. Just 3.7 per cent allow no access at work.

In addition, based on our survey it seems that half of us access social media at work for personal reasons. Of these, 13.3 per cent said they access it daily while 36.4 per cent access it occasionally.

This figure is expected to rise over time. A PwC study found that the majority of millennials (Generation Y) want to be allowed time to socialise on personal networks in return for remaining accessible to respond to work-related messages outside standard business hours.

Luckily many employers agree. In our survey, 44.3 per cent of employers believe that allowing employees to access social media at work will improve their retention levels.

According to our survey, of those people who do access social media at work for personal reasons, almost half (43.7 per cent) bring their own devices to work to do so. But 56.3 per cent do not, which means they are using your equipment for access.
It is important therefore to have a social media policy covering how social media is used for work related matters, the use of it for personal matters at work, and what employees can and cannot say about your organisation in the social media world.

According to our survey, one quarter (25.3 per cent) of employees do not have a clear understanding of how to represent their organisation on social media.

An increasing number of Fair Work Australia complaints point to the importance of adequate social media policies. For example, Fair Work Australia ordered that an employee of a major logistics company be reinstated after he was dismissed for comments he had made about his managers on Facebook. Fair Work Australia noted that the comments were ‘foolish’ but were not intended for public display and therefore were not a valid reason for termination.

Joydeep Hor, managing principal People + Culture Strategies, described to Human Capital what a good social media policy should include:

• The ways in which social media should be used during work hours and how staff usage will be monitored (if at all);
• Guidelines about communicating with colleagues or managers online – for instance, by sending friend requests to other staff or subordinates;
• A reminder that all of an employee’s usual obligations as employees continue to apply while using social media;
• Guidelines around the use of confidential information, and any disparaging or defamatory comments made directly or indirectly in relation to the organisation, its management, or clients; and
• A reminder that comments made regardless of whether they are made on a company’s Twitter account or an employee’s own private account in their own time may be subject to disciplinary action, including termination, even when those comments may appear to be unrelated to an employee’s work.

To this list we would add that if access to social media sites is allowed during working hours, the purpose of access should be made clear as should the acceptable level of personal use. Describe how any misuse will be dealt with. Make it clear that company email accounts should not be used to sign up for social media sites used for personal reasons. You can also include a request that work related complaints are brought to the attention of the appropriate internal person rather than made via social media.

Friend-ing employees

Research by Telstra found that three in five employers said ‘friending’ employees blurred the line between professional colleague and friend. More than half of bosses reject ‘friend’ requests.

We would not encourage employees to ‘friend’ their managers and managers should not pressure employees to do so. It is best to keep the lines between your professional and personal lives clear.

New technology & the work/life blur

It seems that portable technology, such as smartphones and iPads, is eating into the boundaries between work and home. According to a Financial Times article, the divide between work and home life has become fuzzier, encouraged by the rise of the BlackBerry and iPhone.

Our own survey of candidates found that four in ten employees believe their use of portable technology for work eats into their personal life.
Is the use of portable technology for work, such as smartphones and iPads, eating into your personal life?

Yes - I frequently use such technology for work purposes in personal time
Yes - I occasionally use such technology for work purposes in personal time
No

This use of technology for work purposes in personal time means that work is, at times, done in unusual places. A Unisys ‘Consumerisation of IT’ study found that smartphone users have sent work emails from the following locations:

- 23 per cent from bed;
- 16 per cent whilst driving a car;
- 33 per cent whilst being a passenger in a car;
- 34 per cent from a train or a bus;
- 6 per cent from a place of worship;
- 18 per cent at an entertainment event;
- 34 per cent while on holiday;
- 21 per cent from a restaurant; and
- 19 per cent at a family gathering.

In a US survey of the common locations for teleworking in 2010, ‘while on vacation’ was trending upwards, which “draws attention to one of the pitfalls of telework: The general availability of wi-fi and wireless devices makes it harder for workers to unplug while on vacation.”

But perhaps this blending of work/life balance is a trend that we will see recede once Generation Y enters the workforce in greater numbers. A study by the Institute of Leadership & Management and Ashridge Business School found that one quarter of new graduates never mix work with home life.

This is supported by McCrindle Research, which found that employment matters to Generation Y, but it is not their life – rather it is the means that provides the funds to fuel their life. As one of their Generation Y focus group participants noted, “If there’s going to be a clash with the work/life balance, life wins.”

The McCrindle Research report also notes that while we all want work/life balance, for Generation Y it is not a ‘want’ but an ‘expectation’. This attitude is likely to go a long way towards redefining the line between work and life. And as previously noted there is also an expectation that if Generation Y employees need to be available after hours, they expect time to socialise on personal networks in return.
3. DIVERSITY IN ALL ITS FORMS

The workforce in 2030

Our workforce in 2030 is likely to span five generations:

• “Alpha” generation: This generation are yet to be born or are under one year old today. By 2030 they will be aged 18 and under;

• Generation Z (1996 - 2011): This generation will be aged 19 to 34 by 2030;

• Generation Y (1982 - 1995): This will be the new cohort of ‘mature-aged workers, aged between years 35 and 48 by 2030;

• Generation X (1965 - 1981): By 2030 this generation will be aged between 49 and 65 years; and

• Baby Boomers (1946 - 1964): This generation will be aged between 66 to 84 years by 2030.

Generational characteristics

Most of us are aware of the characteristics of Baby Boomers and Generation X, but what about Generations Y and Z?

Generation Y

Generation Y, or Millennials as they are also commonly named, have a unique set of characteristics. According to the Pew Research Centre63 and Changedrivers64, Generation Y is:

• Confident, self-expressive, liberal, upbeat and open to change;

• More ethnically and racially diverse, less religious and the most formally educated of the generations;

• Embrace modes of self-expression – 90% have a social networking profile and 40% have a tattoo or piercing;

• Only 60% were raised by both parents;

• Do not like hype and superficiality;

• Have multiple expectations of a job, including workplace culture, variety, fun, training, management style and flexibility; and

• Are inundated with job advertisements. This means your organisation needs a strong EVP that includes green and corporate responsibility policies to reach the attention of these candidates.

Generation Z

According to TimeOut.com65, Generation Z is:

• The most highly connected generation. The ABS says 95% of children use a computer regularly and 64% have access to the internet.

• AMTA says 80-90% of high school students have mobile phones and more than 20% of primary school-aged children. Parents say it’s for convenience and safety, kids like it as a status symbol and social tool.

• Gaming is the main reason children go online today. 65% participate in online gaming at least once a week.

• Z’ers want many “friends” even if they will never meet them.

• Many have a second identify – “avatar” as their cyberspace representative – for communication, interaction, fun and education. Everything from shopping, working, playing games and socialising.

What will Generation Z be like in the workforce?

While there is a lot of conjecture and generalisation about what this generation will be like in the workforce, the common predictions appear to be that while Generation Z has had lifelong exposure to the Internet, and are very adept at multitasking, they find more traditional forms of communication such as face-to-face conversations or speaking to clients on the telephone more challenging66.

As a result, training and mentorships will be very important in the early years of Generation Z’s careers to give them the business tools for success. But, as Pam Ross notes, such training will need to be “byte-sized and bite-sized” as this generation is likely to use their “iPhone 23S, scanning QR codes to watch a bite-sized video of learning they need, just in time to complete work”67.

In addition, given that Generation Z is used to communicating in 140 characters and in acronyms, written business communication skills may need development if they are to work effectively with colleagues and clients from other generations – while older generations may equally need training in Generation Z’s language shift.

Managing 5 generations

If managers already find it difficult to manage three generations in the workforce, what will it be like managing five? What strategies can you employ?

• Know how each generation likes to be managed. For example, Baby Boomers do not want to feel micromanaged, but Generation Y like specific instructions.

• Know what each generation values and use these values to bridge generational differences or conflict. As a Sydney Morning Herald article notes, Baby Boomers can work as mentors, you could assign special assignments to Generation X, and you could ask Generations Y and Z to work with technology and identify emerging trends68.

• Know how different generations work. As noted by Jeanne C Meister and Karie Willyerd from Harvard Business Review, in 1986 75 per cent of the knowledge needed to perform well in your job had to be retained in your mind, with the other 25 per cent accessed in documents or manuals. By 2009, only 10 per cent of knowledge necessary to perform well on the job needed to be retained, and Generation Y rely on other tools to access the required information, such as a Facebook query to friends. Meister and Willyerd also note that by the time Generation Z enter the workforce, “many of them will have never sent an email... because who needs e-mail when you can text, instant message, tweet, or Facebook”69.

• Understand what constitutes work/life balance for each generation. For Generation Z it may be the time to work to access their personal social media, but for Generation X it may be leaving an hour early once a week to attend a child’s sporting event.
• Ensure that your employees understand how customer needs, interaction and work styles from different generation.
• Roberta Matuson at Human Resources Solutions says a number of things will have to change. Employers will have to embrace social networking, they will have to work out how to communicate with a generation that knows how to do it with 140 characters or less, they will have to get rid of long winded memos and change training programs to e-learning and online game simulations.

Ageism will measure us all
In future we can expect that how organisations deal with different generations in the workplace will be measured in the same way that the number of women in the workplace is now assessed. This means we should take adequate steps to effectively manage five generations, and of course remember to engage Baby Boomers.

Don’t forget the Baby Boomers
Many organisations focus on the needs and characteristics of new and emerging generations and fail to consider strategies to enable Baby Boomers to remain in the workforce. Yet even by 2030 Baby Boomers will continue to be a sizeable segment of the workforce.

An increasing number of mature-aged employees want to remain in the workforce and over the last three years in particular the demand for jobs by Baby Boomers has increased sharply. This is likely to remain the case over the coming years.

According to our survey of employers, 38.3 per cent said that less than 20 per cent of new hires are mature-aged. A further 52.1 per cent say that between 21 and 50 per cent of new hires are mature-aged, while the final 9.6 per cent say that more than 50 per cent of their new hires are mature-aged.

Approximately what percentage of new hires are mature-aged?

As of 1 July 2012, the Federal Government is paying $1,000 to businesses that employ someone over the age of 50 for at least three months. The plan aims to boost the prospects of the older unemployed and was a response to the government-commissioned report ‘Economic Potential of Senior Australians’, which found that older Australians have been locked out of the workforce by discrimination and stereotypes.

While this is a very positive policy, most of the business community agree that more needs to be done to overcome age discrimination.

Accommodating an ageing workforce
National Seniors Australia’s report ‘Experience Works’ found that attracting and retaining older workers requires a combination of training and retraining for the mature worker as well as education for the employer.

Meanwhile a report by the Office for Ageing ‘Employment and Retention Strategies of Older Workers’, notes it is difficult for people in physical jobs to extend their working life compared to mature-age candidates in non-physical roles. It notes: “When it comes to workforce planning for mature workers, consideration needs to be given to the way in which older workers will be used in the workforce and employers need to ensure that they are providing meaningful work that is suitable to the skills and capabilities of the older worker.”

The report includes a case study on the experience of Westpac, which committed to hiring 1,000 mature workers. This was achieved in less than three years by building a strong business case for hiring mature age workers to align better with their customer base. A company spokesperson notes in the report that “lessons learned include the need for a lot of education inside the organisation particularly at branch level, plus on the job training to equip people with the right skills for the job.”

Knowledge transfer is also critical. According to the same report, at RTA NSW 25 per cent of staff will leave in the next three to five years. RTA NSW notes: “There is a danger that organisations will move past the older worker without recognising that they have an immense amount of knowledge and experience to share. We calculated that this was a $104M problem for us if we had to rehire like for like.” As a result, the company runs transition to retirement programs so that mature staff can share their ideas and transfer knowledge back into the organisation.
Gender diversity

If we are to consider ways to future-proof our workforce then gender diversity must also be considered. It has been widely recognised that gender diversity can help an organisation overcome skills shortages and has a positive impact on financial results. For example, the 25 Fortune 500 firms with the best record of promoting women to high positions are between 18 and 69 per cent more profitable than the median Fortune 500 firms in their industries.

This is supported by a range of similar research, including the Reibey Institute's research report on women's leadership issues, which found that over the past three and five year periods, ASX500 companies with women directors on their boards delivered significantly higher Return on Equity (ROE) than those companies without women directors.

Gender quotas have been very much the public face of the diversity agenda, but many remain sceptical about their effectiveness when it comes to driving performance, change and share value. Some organisations fear that a box-ticking approach to recruitment is not compatible with the aim of acquiring the very best talent. Others say that set quotas harm the notion of promotion on merit, can lead to ‘tokenism’ and can simply result in the same women taking on more boardroom roles, rather than bringing in new blood at higher levels.

In October 2010, Norwegian business leaders and politicians gathered at a conference in Oslo to assess the effects of the country’s decision in January 2008 to impose 40 per cent gender quotas on boardrooms. Elin Hurvenes, founder of Norway's Professional Boards Forum, says: “A lot of chairmen and investors were deeply opposed to quotas when they were introduced. The feedback from the conference was that, while they were still opposed to the idea in principle, they were in fact very happy with the results.”

So sometimes, it can require a shove from above, such as quotas, to encourage employers to make diversity reality.

To help you future-proof your workforce and embrace gender diversity, the AIM Insights paper ‘Gender Diversity in Management’ notes that the following obstacles need to be overcome:

• Lack of meaningful flexible-work options for working mothers;
• Affordability of childcare;
• Limited career flexibility options;
• Recruitment bias;
• Exclusion from informal networks;
• Unconscious bias (stereotyping and preconceptions about women’s abilities); and
• Insufficient leadership from the top - a failure to actively support women’s advancement.

The report also notes that flexibility has many benefits including creating a more diverse workplace by helping to retain working mothers, generation Y and mature-age candidates. It recommends:

• Placing limitations on the hours that meetings can be organised, for example, between 10am and 3pm;
• Exploring options to work at home where possible;
• Parental leave flexibility rather than full time leave, over a two year period; and
• Using technology to enable workers to fully participate in meetings while out of the office.
The colossal staffing needs of organisations involved in Australia’s resources boom are here to stay for some time. They are firmly in the express lanes of our jobs market and there is no denying that their surging staffing needs will continue over the years ahead. This was confirmed last year by a report released by ANZ Bank and economic consultants Port Jackson Partners, which found that 750,000 jobs will be created by the mining boom by 2030.

According to our survey of employers, more than four in five (82 per cent) think the staffing needs of our booming resources sector will drain the pool of candidates for non-resources organisations, or that there will be some impact.

The needs of these employers are also very unique, so much so that a new phrase has been coined to describe the candidates in such high demand. The term ‘orange collar’ evolved from the fluorescent orange, high visibility uniform commonly worn by employees in the sector.

But it refers to much more than a dress code. Orange collar candidates do not fit standard definitions of white or blue collar; they could be geologists, bogger operators or even the chief executive.

So to future-proof your organisation, it pays to be informed about the type of candidate our booming resources sector is looking for and will continue to seek in the years ahead. Four components make up our definition of an orange collar worker, and they are completely unique to the resources sector’s working world.

In summary, orange collar candidates are those who:

**Possess specialist skills:**
Orange collar workers have highly technical and specialist skills, which are not as commonly found as other skills, such as accounting for example. This requires worldwide networks to find and attract the right talent.

Despite our mining boom, only half (49.7) of the candidates we surveyed are aware of the skills and qualities needed to secure a job in the resources sector.

**Are you aware of the skills and qualities needed to secure a job in the resources sector?**

- Yes: 50.3%
- No: 49.7%

**Willing to work in remote, sometimes overseas locations:**
Orange collar workers are willing and able to relocate to remote locations. They can also deal with the associated issues of living in remote locations, such as the lack of services, high property prices, and distance from family and friends. As Chris Bowen, Immigration Minister, noted in reference to one mining region, “The Pilbara is a great place, but it’s not for everybody.”

Almost half (49.4 per cent) of the candidates we surveyed would be willing to relocate to a remote location for a job in the resources sector.

**Would you be willing to relocate to a remote location for a job in the resources sector?**

- Yes: 50.6%
- No: 49.4%

Of those who would not, the most common reasons included family reasons (63.2 per cent), a preference for a metropolitan lifestyle (44.7 per cent), an unwillingness to relocate (36.8 per cent), the lack of services (21.4 per cent) and the high property prices (7.5 per cent).
Other reasons cited were a lack of interest in the industry, the shortage of appropriate skills required by the industry and a general understanding that the industry is not for everyone.

Possess the required training and tickets:

Orange collar workers have the right attitude and adherence to compliance and the right level of relevant training. Orange collar candidates need to be able to deal with risk and rigour.

Yet according to our survey, two out of five people (40.6 per cent) are unaware of the training, tickets and attitude to compliance needed for a job in the resources sector. One in three (34.6 per cent) are vaguely aware of the requirements, while just one in four (24.8 per cent) know what is needed.

Are you aware of the training, tickets and attitude to compliance needed for a job in the resources sector?

Together these four factors significantly narrow the field of potential candidates. But given the sheer number of projects that are underway or will commence over the years ahead, not just in Australia but worldwide, there are many big company names in this industry that are all vying for the same group of candidates. That’s why a global talent pipeline, the incorporation of emerging technology and dealing with generational issues will help you future-proof your workforce and compete for the skills required in the years ahead.

Lessons to learn

It has been noted that the staffing needs of the mining boom are so great that “a major structural shift is underway”\(^\text{83}\). It will reshape the labour market and employers outside the industry will eagerly watch to see how mining companies adapt to skills shortages. In many ways, employers involved in the mining boom are the forerunners for the rest of the country in terms of how to deal effectively with skills shortages. What lessons will they teach us in the years ahead?

But their influence will extend far beyond attraction strategies to wider employment and workforce development. Rio Tinto’s 2010 operations centre in Perth is one example of innovative change that has the potential to transform the world of work. At the centre, technical planning and support staff remotely control mine, rail systems, infrastructure facilities and port operations up to 1,500 kilometres away, with maximum efficiency\(^\text{84}\).

Women in mining

To future-proof its workforce, the resources and mining industry is now taking active steps to attract and retain women. In 2011, women accounted for just 16 per cent of the mining workforce, compared to 46 per cent of the entire national workforce\(^\text{85}\).

Minna Knight, Executive Director of the Australian Mines and Metals Association, said recently: “There is an enormous opportunity to tackle the national labour and skills shortages and allow the projected investment in our industry to reach its potential – by tapping into an underutilised pool of skilled employees and building strength through workforce diversity\(^\text{86}\).

The culture of mining is slowly changing and there are many women who have successful careers in the industry, such as Reynolds Soil Technologies’ Argentina-based Country Manager Melanie Seal, who notes: “Women’s career opportunities have been evolving and mining is one of the last industries where we are moving into”\(^\text{87}\). Yet at an induction to underground mining Ashlee Thompson, who works across three mine sites for underground contactor Ausmining, found that some men were shocked to hear that she was planning to work underground and assumed she was a secretary\(^\text{88}\). So the general consensus is that much more still needs to be done. Strategies currently being utilised to help women into the industry and advance their career include online support groups, mentoring, events and awards. Meanwhile organisations such as WIMnet, an online support initiative, actively target mining companies for flexible work opportunities, such as school hour rosters and job sharing opportunities for women\(^\text{89}\).
CONCLUSION

We are a results-orientated company. We share our ambition for success with our clients, which is why we present these findings to help you future-proof your workforce in today’s highly competitive talent race. We hope it helps you prepare for the challenges and opportunities ahead.

If you would like to discuss any of the points outlined in this white paper, or for further information on our services, please contact Kathy Kostyrko, Director, on +61 (0)2 6112 7629 or kathy.kostyrko@hays.com.au


Human Capital Online, http://www.hcamag.com/newsletter/content/126595/

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Hays, Hays Journal issue 2 2011, Want to know what’s important to today’s graduates? page 8


Office for Ageing, as above, page 16.

Office for Ageing, as above, page 21.


International Mining, as above.


Mining IQ, as above.
Our international reach - operating in 33 countries

Australia
Austria
Belgium
Brazil
Canada
Chile
China
Columbia
Czech Republic
Denmark
France
Germany
Hong Kong
Hungary
India
Ireland
Italy
Japan
Luxembourg
Malaysia
Mexico
Netherlands
New Zealand
Poland
Portugal
Russia
Singapore
Spain
Sweden
Switzerland
United Arab Emirates
United Kingdom
United States