



This month I am pleased to announce the launch of phase II of our exciting and innovative branding campaign - It's all about U! The key advertising message is that at Ross and Julia Ross, what we do is all about you - the client and the candidate. We believe this encapsulates our core promises of trying harder, being more committed and offering flexible services - being focused on what our client or candidate needs rather than our own issues. This edition of RossNews also explores the many factors currently changing how organisations approach the way they do business.

I do hope you enjoy this edition of RossNews and I welcome any feedback you have at marketing@rosshumandirections.com

Julia Ross

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→ economic update

by Glenn Meekin, Group Financial Controller

The Reserve Bank of Australia (RBA) held the cash rate steady at 6.25% at its February 2007 meeting. There are signs that the interest rate cycle has peaked and the news on inflation is good. The headline CPI fell by 0.1% in the December 2006 quarter reflecting a large fall in petrol and banana prices. The annual rate of 3.3% has reduced from the June 2006 quarter peak of 4%. It is forecast to fall below 2% by the September 2007 quarter.

The expansion in the Australian economy has been long but is now characterised by modest rather than spectacular growth. It is the slowing in non-farm growth that is of most concern in the medium term. Household consumption growth has cooled and businesses are not increasing investment spending at the same frantic pace as in the past 4 years. Construction of dwellings is experiencing a gradual decline particularly in the south eastern seaboard states where property price growth has been weak or negative. Overall, non-farm economic activity is forecast to be modest in 2007.

The marked differences in business conditions across industries and states continues. The mining sector is the outstanding performer in terms of profitability. The poor performers are property and business services and construction. Queensland, WA and NT are continuing to deliver high growth rates due to the resources boom. The south eastern seaboard states are not performing as well. In particular, NSW has experienced three quarters of negative growth, placing it in technical recession.

Unemployment has fallen to its lowest level in three decades. The unemployment rate fell to 4.5% at the end of January 2007, down from 4.6% at the end of December 2006. Western Australia's unemployment rate was very low at 3%. All other states had good results with the exception of South Australia, recording a slight rise in its unemployment rate to 5.7%. The participation rate fell to 64.8% from a near record high of 65% in December 2006. It is unlikely that employment can continue to grow at its recent pace, with trend data showing that employment growth has been slowing over recent months. The tight employment market is not translating into a wages explosion with wages growth being contained at about 4% pa.

Sources:
Australian Financial Review, 9 February 2007 - "Jobless Rate at Record Low" pages 1 & 6
ANZ Economic Outlook March Quarter 2007.

→ personal safety precautions

by Paula Spencer, OH&S Officer

In the case of any emergency situation, such as a robbery or natural disaster, the safety of yourself and those around you is a priority. It is not worth losing life or limb to save property.

If you ever find yourself in a position where you are being robbed or violence is threatened, there are a number of safety precautions that you can take in order to reduce your chances of becoming injured.

- Keep your hands where they can be seen and do not make any sudden or quick moves.
- Don't pick up the phone.
- If you are asked for valuables, don't argue - do what you are told.
- Remain calm and quiet.
- Speak only when spoken to.
- Avoid staring and/or making direct eye contact.
- Do not try and outsmart an intruder or robber i.e. don't interrogate him/her.
- Don't chase him/her.
- When it's safe call the police.

→ training tips

by Mary Strain, National Learning & Development Manager

Prepare for Questions

If you will be answering questions or if you are part of a panel, then you should do some special planning and preparation for questions which may be asked during or after your presentation.

Sometimes question-and-answer sessions are a 'fun' part of the presentation. It is a chance to really communicate with the audience and ensure that they are listening. However, some presenters become nervous and anxious when questions are passed up to them. It is not easy to think of precise, nontechnical words to give a perfect answer when you are standing in front of a sea of expectant faces, being bombarded with questions.

No speaker can prepare ahead of time to answer every question that might be asked, but every presenter should prepare ahead of time for questions in crucial areas. The less experience you have as a presenter, the more preparation you need.

To prepare for questions you will go through four steps:

- List areas that might provoke questions.
- List questions that might be asked in these areas.
- Write out and polish your answers.
- Make a note to yourself to ask for questions before the conclusion so that you can end the question period with your prepared conclusion.

Source: "Delivering Effective training sessions" McArdel, Geri

Following on from Part One of our article in last month's RossNews on trends we see developing in Recruitment and HR, this is the concluding article. As we discussed last month, there are many factors currently changing how organisations approach the way they do business, such as a tighter labour force, legislative impacts, the start of baby boomer retirement, emerging expectations of Generation Y, talent shortages in some professions and industry sectors and of course, climate change.

As a consequence, the human resources, employment services and recruitment sector is also experiencing fast moving change at the present time.

Impacts of Generation Y

The differences between Generation Y and the previous Boomer and X Generations are significant. In terms of sourcing candidates, recruiter and employer strategies will need to recognise that this generation is notoriously resilient to commercial messages. They have developed a response which is based on selecting communications on their terms and no longer accept the traditional approaches that previous generations found relevant. Generation Y is significantly more independent of thought than previous generations, exercising their choice to make their own minds up on a particular issue. How they are communicated with, managed and developed is as important to them as the specific outcomes that a job can offer them. Flexibility in approach, offer and terms will be critical to engaging successful, with this category of worker.

Changing Profiles of Recruitment Firm Activity

We believe that an emerging trend will be that recruitment organisations will become more specialised while at the same time providing a broader range of services. This may sound like an oxymoron, but it's not. Recruiters will seek candidates in a narrow range of skill sets and become very knowledgeable about everyone in that profession in a particular geography. For example, they might focus on Java programmers but will offer every service related to Java programmers that there is.

Larger firms may be able to encompass several sectors of these professions, but each will be treated in a unique way. A big part of the 'new' agency's role will be competitive intelligence work and candidate pool development. Only the largest of corporations, such as Ross and Julia Ross, will be able to afford to do this on their own, making the market ripe for agencies that can perform these functions. Agencies might simply charge a transaction fee for supplying a few names. Or they could offer to do a full recruiting process at a fixed fee or on a percentage basis as they do today. We call this practice of splitting up the process costing as 'unbundled services,' charging the client for only the part of the service actually supplied.

Talent Management - Greater Focus on People

Connected with the above, we have identified that recruitment organisations will have much greater in-depth knowledge of the people in a particular niche. They will have knowledge of all the e-commerce Java programmers in Sydney for example. They will have a sense of the abilities of many of these programmers, and even, perhaps, have those abilities ranked. They will know each programmer's accomplishments and past employment history and who they would most like to work for. This knowledge, too, can be sold and packaged for clients. One agency could even provide their information and services to another agency. This type of Talent Management is something we have focused on by growing and developing our 'pool' of talent in a number key recruitment areas.

We see the best firms becoming much like sports talent agents, coaching and guiding candidates to the best jobs. They will more carefully match candidates to organisations where there will be a good culture fit and where they can receive the kind of support, career development, or benefits those candidates seek. The best consultants may recommend certain kinds of development for a candidate or give them feedback on previous performance. No wise recruiter will recruit candidates from current employers, but may instead provide career advice and maintain an ongoing relationship with candidates after placement. There will have to be some procedures developed to protect both clients and candidates.

New Guarantees

Recruitment organisations will in time to come not only guarantee a candidate to a client, but also guarantee career opportunities to the candidate. As part of this newly emerging career management service, we see a two-way relationship. Because of this, recruiters will be much more careful about the candidates they take on and about the quality of their skills. In interview, candidates now ask many more questions about what a potential employer offers. Likewise, consultants will build more effective ongoing relationships where communication is two way on candidate opportunities as well as job vacancies.

Wider Variety of Service Structures

We are already starting to develop situations where we work with a variety of job types and services, including permanent, temporary, part-time, training, talent sourcing and managed services via outsourcing.

Many employers will want a mix of all these types for different purposes. Some firms will be placing project teams with specific contracted job durations and scope. They may actively help employees decide to change status and may coach both managers and candidates on how to work together more effectively. Each of these activities may involve fees, albeit small ones.

As we discussed in the last issue, in the end, we believe that many small firms will completely outsource their recruitment and HR management (HRO). Agencies are going to have to develop more flexible pricing and add value beyond simply sourcing, screening candidates and interviewing candidates, but employers may have to pay proportionally more for a more refined service.

The success stories will be about those recruitment organisations that can develop a value-added process that benefits both the employers and the job seeker. In doing this there will be great opportunities for those who are successful.

March 2007 sees Ross Human Directions launch phase 2 of our exciting branding campaign - It's all about U! Keep your eyes peeled for Ross advertisements in press, city metrolites and on buses around certain CBD locations!

