



Recruitment

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How to Compete With the Private Sector and Win.

With a growing skills shortage and competitive labour market the Private Sector is in fierce competition with the Public Sector to recruit. The Public Sector must use all the tools at its disposal to attract and retain the right people. Recruitment Agencies have been part of Government recruitment practices for a long time. However, they can be as much of a hindrance as a help in finding the right people.

- An qualitative investigation into issues facing the Public Sector
- Private Sector solutions for public sector problems
- Recruitment Agencies – making them work for you

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SCO Recruitment

Presentation as of Thursday 4th August 2011.

“Our internal candidates are often very challenging to deal with, embarrassingly so”

This quote, from a high level, public sector HR professional highlights the severity of some of the issues facing the Government today.

Unlike the majority of the speakers over the next two days I am not an employee of the public sector. I am from the private sector. However the public sector does represent over 80% of my business. I believe the best use of my expertise is to give you some ideas and approaches the private sector would apply to some of the public sector problems. In preparation I have interviewed a number of public sector representatives to identify what some of the core issues are. I know I do not have all the answers so instead I have researched strategies of some of the most successful private sector business leaders and looked at how they approach some of these problems.

Having the right people in the right jobs at all levels is vital to the success of any endeavor. I am speaking from personal experience. I was previously employed by a not for profit recruitment business with a \$20 million turnover and over 250 employees, long term contracts and **some** great staff in **some** jobs. They also had 4 other operating divisions, property maintenance, landscaping, training and community services. Unbelievably in May 2009 this business went into liquidation. In fact it was the first cooperative in Australia to go into liquidation. Why? Well it boils down to having the wrong people in

the wrong jobs. The Board was voluntary and removed from the business. As in Government there were no shareholders to be held accountable to. Even though recruitment was their core business they did not have a great culture and did not attract the right people into management.

So, what do I do? The business I am working for is entering into liquidation and hundreds of jobs are on the line. In April 09 I approached the Board with a plan to resurrect the business and save as many jobs as possible. Their reaction was not what I had hoped for. They had no interest, no guts. So I took the same plan to two friends of mine and asked if they would help. They said yes. We have \$70,000 we can give you. Great! I needed about \$300,000. But you make do with what you've got. To cut a long story short, on the 28th of May 2009 SCO Recruitment and Trim and Proper started trading. I had 180 staff and \$60,000 in the bank. It was a very hectic time to say the least. But having the right staff in the right jobs made it possible. Then 3 weeks after we started trading, at my 3rd wedding anniversary I found out I was pregnant. Great news! Terrible timing! I really had to be able to delegate which meant I had to have complete faith in the people I had hired to do their jobs. I also had to have faith in my own ability to recruit.

So how did it go? Well Trim and Proper is a not for profit that directly employs over 35 long term unemployed, socially disadvantaged and indigenous Australians in our property maintenance business. And SCO Recruitment employs over 400 people across NSW. Oh and I have a beautiful baby boy. So it has gone very well. What is the main difference between us and the business I used to work for? Having the right people in the right jobs! Even though our core business is recruitment, we have had to work hard to build a strong culture and develop the policies and procedures so we can attract and retain the best of the best.

Today is about you and giving you a lot of ideas and tools that you can take back and mould, to really develop into practical solutions for public sector recruitment.

So, what qualifies me to do this? I directly employ 50 staff between both SCO Recruitment and Trim and Proper, from high level HR and Finance managers to hard working cleaners and gardeners from disadvantaged backgrounds. We have an interesting mix. Recruitment, people and culture are my life. I've read a lot of the recent literature on public sector but I conducted an in-depth qualitative study of 9 Recruitment and HR professionals from all levels of Government and the issues they face. I've taken all this information and spent the last 3 months researching some of the most successful business leaders in the world and what their approach to the same issues are.

Today I want you to open your minds to new ways of solving old problems. To start I'm going to show you a short video from interviews I conducted with Mark Maward, Manager of Operations, from Auburn Council and Bruce Rochaix, from Fairfield Council, who has over 40 years experience in recruitment.

4 minutes – Video

Does any of that sound familiar? Before I go into the statistics I want to take a quick survey of everyone in this room.

Put your hand up if you have experienced any of the following issues?

Skill Shortages – Being unable to attract enough qualified candidates for job vacancies?

Aging workforce – Experienced skilled people about to exit the work force and no one ready to fill the role?

Head Hunting – You finally get the right person in the job and then someone else from another area or Department steals them away?

And finally red tape? Do your systems and procedures seem to work against you at times? To many forms, to many people getting involved?

Compare results to survey.

Survey Results

Skill shortages – 100%

Red tape – 83.3%

Aging Workforce – 66.67%

Head Hunting by other departments – 33.3%

I am going to focus on 4 key issues and give you some solutions.

- 1) Red Tape
- 2) Cultural Fit
- 3) Skills Shortage
- 4) And lastly Recruitment Agencies.

Problem 1 – Red Tape

Red tape exists in any and every business. We have all been frustrated by the increases in paperwork and seemingly pointless delays in getting our work done.

But when it comes to the recruitment process red tape has a much more sinister impact.

Not only does it cause internal frustrations but it is limiting your potential pool of employees.

A recent study by Robert Walters of 800 professionals revealed that 79% of respondents are turned off by lengthy recruitment processes with 47% withdrawing their applications when it takes too long. On top of that, 77% of candidates expect the recruitment process to take less than a month in total.

Now, even for a small business, a turnaround time of less than a month can be difficult. From everyone I've spoken to in the public sector it's impossible to recruit for a permanent position that quickly. You will be struggling to get it under the 2 month mark.

Solution 1 – Red Tape

This is where you have to be creative so you don't lose half of your candidates off the bat. And I bet the half that withdraw their applications are the higher quality candidates. You need to keep candidates engaged throughout the recruitment process. People are more willing to wait if they know why they are waiting and for how long. You need to, at a minimum, have some sort of contact on a weekly basis. This can be face to face, on the phone, posting a letter, via emails, or even using social media.

Has anyone been put on hold and had just dead air on the other end? The first thought that crosses your mind is that they've hung up on you. How long do you wait before you hang up? What about when there is music, but it's awful, crackling and hard to hear? A bit longer than if silent? What about when you hear some great music or a really funny radio presenter? I love singing along or having a giggle and don't even notice the wait.

You need to have your candidates so engaged that they don't notice the wait. Don't leave them hanging wondering if you've hung up on them. Get in there and market yourself to them. Really sell the advantages and benefits of the public sector as a whole and of your specific department or agency. You want to get them excited about the job, waiting with baited breathe to find out if they have the role. Not only will the candidate that gets the job be excited and ready to go, the people that have applied will want to apply again for another position and will work harder to find one that they are perfect for. Word of mouth is one of the quickest and cheapest ways to market yourself and to increase the number of quality applicants applying for your job.

Solution 2 – Red Tape

Unfortunately, when a staff member leaves before their replacement starts, they often take their personal knowledge and experience with them. Mark Mawad gave you a great possible solution at the end of the video. I'm going to give you another simple one I use. Getting the staff member that has left to come back in and spend a couple of days training the new recruit. I have a great relationship with the people in my team, so on the rare occasion when one does leave, I will get them to come back in, usually a couple of weeks into the new starters role and get them to sit down and spend a day or two with their replacement. I haven't had to pay for this, but even if I had to pay a weekends worth of overtime wages to the two, I believe ensuring the knowledge and information is retained is worth the investment.

Problem 1 – Culture

The public sector as a whole has a unique culture and so does each and every agency. But hardly anyone that doesn't already work in the public sector or work closely with it knows how great it is. You need to market that culture, make it known what it is like to work for you. If you have a strong culture and you make it know to everyone then you will attract people with a cultural fit and repel those that don't fit. It isn't enough to write you have flexible hours and a supportive environment.

The most successful companies work hard to build a world class culture and then they market it to everyone. Who is ranked the number 1 employer? The most popular answer is Google. Now compare Google to Microsoft. Both are big businesses in the IT industry and do basically the same type of work. Both hire high level IT professionals. They are competing for the same candidates. Yet Microsoft doesn't rank anywhere on the list.

Problem 2 – Culture

First impressions count. And the first impression job seekers get from you is from your job ads and initial application process. I personally always wanted to work for the Government. As a young child I dreamed of being the first female Prime Minister. Now that jobs already taken. Australia already achieved that milestone.

What other jobs are out there? I'm a qualified accountant with great leadership skills and management experience. For the purposes of today I have spent some time looking around the web to see what jobs are out there and how they are marketed. I've taken two examples, one from the public sector on APS jobs and one from Google. Both roles are for a financial accountant in Sydney.

First Up is Google:

“Let’s work together.

Chances are you have a good idea of where you want to go in life. At Google, we’ve designed a culture that helps you get there. From our flexible, project-based approach to corporate structure to our innovative perks and benefits, we do everything we can to make sure our employees not only have great jobs, but great lives. Into being challenged? Into having fun? Want to change the world? If the answer is yes, then you’ve come to the right place.

The area: Finance, Accounting

Consisting of experienced, motivated, creative, self-sufficient and savvy high performers in the finance and accounting fields, our team handles the core accounting roles at Google. We have a preference for those who like to work and play hard and who are enthused about working on collaborative global teams while performing M&A, external reporting and internal audit functions.”

Okay, now the Government Role:

“Job Description Duties

The Senior Financial Accountant will assist the Director in the management of daily operations of the Finance Section, ensuring Section objectives are met efficiently and effectively. The incumbent is responsible for preparing monthly and annual financial statements, management of general ledger reconciliations and ensuring compliance with Commonwealth finance directives and relevant legislation. The incumbent also plays a significant role in the development and review of operational policy and procedures.”

Interestingly Google doesn’t even advertise how much they are willing to pay. Because it’s not just about the money. I know which job I want to apply for. Do you?

Solution 1 – Culture

I have worked with the Government sector for many years now and I know it can be a great place to work. You can’t assume the people reading your job ads know that. Google is internationally known for being a great place to work, but they don’t leave anything to chance. If you’ve got it, flaunt it.

Solution 2- Culture

When you attract people with great culture, you also attract those that don’t have it. So you need some quick and easy tools to weed out the people that don’t fit culturally before you get into the full on recruitment process.

One technique used by a company called Mad Science in Montreal and detailed in Cameron Herold’s book, Double Double is the group interview. 8 candidates that have been prescreened and forewarned are brought into the Board room and asked a series of questions about them. What’s their favourite movie, what books do they like, what do they do for fun, what’s the most stressful time in their life? How much can they afford to live on for the next year?

The whole point of this interview is to screen for cultural fit and leadership. Candidates that pass this round are then given an in depth one on one interview about their skills etc. This process cuts a lot of time and effort out of sorting through huge numbers of applicants.

Solution 3- Culture

Everyone in private business and in Government is working to achieve the vision they have for the future. But if the vision isn't clear to everyone involved then how can it be achieved? At SCO Recruitment I use a tool called a Painted Picture to get alignment in my team. Our painted picture is a 5 page story about what SCO Recruitment looks like at 30 June 2014 all the way through from our culture to annual sales. I present this every 3 years to my entire team and anyone else that I can get to read it. The more people that know what I am trying to achieve the more likely it is it will come true.

Our painted picture is a very important tool in our recruitment process. Anyone that applies for a role with us is emailed a copy of the painted picture with the message, "This is our painted picture. It is our vision of our future. If you are interested in helping us build this vision please reply with the words – "I want to be part of your team" – in the subject line. This will generally weed out the 60% of candidates that aren't interested, don't match your culture, send out bulk applications or can't follow a simple command.

Problem 3 – Culture

We all know that some people still hold the perception that a public sector job is a cushy job.

Solution 4 – Culture

However, this perception doesn't seem to be held by Gen Ys. The overall consensus is that Gen Y's have a lot of respect for public sector jobs and work hard to excel in them. This is an area where you have a massive edge over the private sector. At the moment the private sector are still afraid of Gen Y's and are having a lot of trouble in working out what to do with them and how to manage them. The literature of fear is endless.

Yet everyone I've spoken to in the public sector is very happy with their Gen Y staff. And being a Gen Y myself, I can tell you, all my Gen Y friends that work for the Government love their jobs. I've even tried poaching one or two and gotten nowhere.

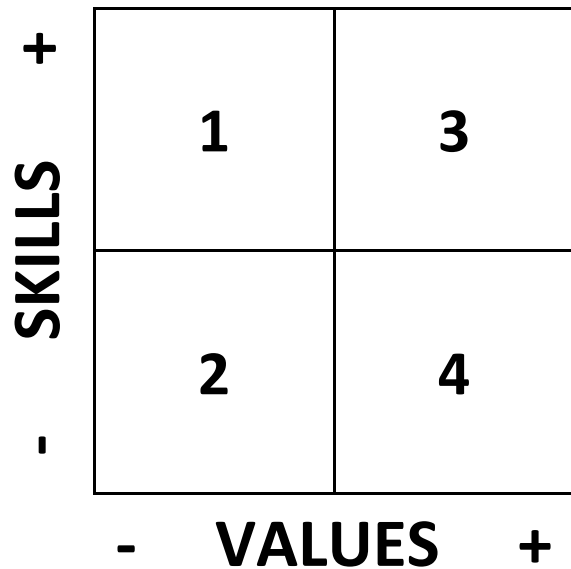
So take note guys, there is a large pool of talent out there aged between 15 and 31 that at the moment are being relatively ignored by the private sector. But it won't take long before the private sector catches on. So make your move now.

Problem 4 – Culture and Skills

It has been estimated that the cost of 1 employee that doesn't culturally fit in your business costs \$1.5 million. Does culture trump skills? According to Jack Welch, who is regarded as one of the greatest business leaders of our time, the answer is yes.

Solution 5 – Culture and Skills

Jack Welch is the former chairman and C.E.O. of General Electric (GE). His belief was that cultural fit and alignment with the values that GE stood for was more important than great skills. Every 6 months he would rate every employee in the company against on this chart.



The most highly skilled employees rate in either quadrant 1 or quadrant 3. The people with the highest values and cultural alignment rate in quadrant 3 or 4. Anyone in quadrant 2 was instantly terminated.

Now what's shocking is that anyone that rated in quadrant 1, even the top performers in the company, were terminated.

So what did he do with quadrant 4 employees? Train them or move them into a role which better suited their skills.

And what do you do with quadrant 3 employees? You handcuff to your organization. You make it so they never want to leave.

Now I am not suggesting to take such a hard and fast approach and terminate people that aren't in the right box. But I do suggest using this chart to rate all new employees before you hire them. And also rate current employees on it to see where the holes are. If you have someone with great values, what do you do? Train them up. If you know someone is highly skilled but has low values, what do you do? Find out why and work to align their values with yours.

Solution 6 – Culture

The public sector has been around since Australia had a Government. You have hundreds of years of experience which no private sector company has. Most of the private sector businesses have traded for less than 20 years and are much more heavily impacted by economic conditions. The public sector has a level of security and stability that gives you the opportunity to really invest in training and developing people. You can better afford to hire for cultural fit and train in skills than any other employer.

Problem 1 – Skills Shortage

Many of the people I have spoken to, across a range of industries, agree that there is a skills shortage and that it's hard to get the right people they need.

Who here is trying to fill a role at the moment and just isn't getting the people with the skills they need applying? What role are you trying to fill at the moment?

Solution 1 – Skills Shortage

When it comes to skill shortages I want you to think outside the box. Do you think Google feels the effects of the skills shortage? I doubt it.

The skilled people you want are out there. They are just working for someone else. Probably for some crummy business that doesn't give them the benefits you do. Unless you get the message out there how do they know that there is a better job waiting for them in the public sector?

Build on the culture you already have and market to everyone and anyone that will listen.

Problem 4 – Recruitment Agencies

Recruitment agencies have been part of Government recruitment practices for a long time. However, they can be as much of a hindrance as a help.

Rather than list all the problems that can occur when using an agency, let me tell you how it should be done. How we do it at SCO Recruitment. If your recruitment agency isn't doing it right, then demand that they do. You are the customer. And if they still aren't doing it right then get in an agency that does. Of course I'd love it if you came and saw me.

To ensure we provide the right staff at the right time our Consultants make sure they understand how you operate and what your needs and wants are. We don't just read your website, we are there with you, getting to know every aspect of your business. We know you are bound by the Public Services Act and make sure we are familiar with it and its impact on you. We want to know your workforce plan. What type of culture you are trying to build. The more we know the better our service.

We tailor our services to fit your needs. At SCO Recruitment we know that you have great HR people. You have most of the systems in place to recruit great staff. But everyone can always use a little help. So we offer unbundled services. We've taken our entire recruitment process and split it up so that you can get the specific service you need and remain within your budgets.

We've already discussed the importance of writing a great job ad that markets who you are. But this can be easier said than done. Our staff undergoes regular training on writing job ads, they have to. They are writing ads every day. So why not outsource it?

Sometimes getting a pair of fresh and experienced eyes and ears involved in your recruitment process can help you avoid hiring the wrong people. As an HR Professional recruitment is one of many of your key responsibilities. You are also charged with managing the overall welfare of every person you employ. Our Consultants on the other hand spend their day either out on site with you or interviewing candidates. Having an experienced consultant sit in as a member of your recruitment panel can further help you identify the right people for the right job.

One of the first steps to a successful recruitment process is culling through resumes which we can do for you. As discussed earlier, the next step is culling for cultural fit. SCO Recruitment can undertake the group interview for you, either at our premises or yours.

We know that each client has certain jobs that they need to fill regularly or have greater difficulty filling. We find out what these roles are long before you need to fill them and make sure we have the candidates on our data base so that when the time comes you don't have to wait.

The Government is a service delivery organization supplying to the Australian people. Many of the skills you are looking for and the positions that you need to fill are Nationwide. As the public sector represents over 80% of our business we have the experience and the candidates to fill all those roles.

Conclusion

Today I've given you over 10 solutions to some of the issues you are facing in the public sector. I want you to take these ideas back with you and look at how they can be molded to solve your specific problems. You are competing with the private sector to attract and retain great staff. You need to know what tools they are using and make them work for you. I'm very excited to attend all the events over the next two days to see what you are doing in the public sector. I will be taking your ideas and seeing how I can adapt them to my business to help me provide a better service to you and to give me an edge over my competitors in attracting and retaining great staff.

For everyone here today I have added an additional page on my company website. The page is headed IQPC Workforce and has more details on the solutions and information above. I've also included a number of links to some really great articles that you might find useful. Just go to www.scorecruitment.com.au. I've got my business cards with the website details on me. As I said I'm going to be here for the entire conference so please come up and have a chat. I'd love your feedback on today.

So, does anyone have any questions?