

# Flexibility: the new buzz word

Employers need to tailor working conditions to suit individual staff, writes **Maria Nguyen**

**W**hether it be the economic downturn or the recent skills shortage, innovative human resources strategies are being called upon to attract and retain staff.

According to the Australian Human Resources Institute, small to medium businesses have needed to become more sophisticated in their HR policies and procedures, especially as in most cases they're unable to match the larger salaries bigger corporations can offer.

"In a lot of smaller businesses, the owner is also often the HR manager and they need to get each employee to perform at a much higher and different level," says the institute's chief executive, Serge Sardo.

"This takes good HR practices and knowledge and we've seen, over the past few years, that [small and medium businesses] are becoming more sophisticated in their HR procedures, policies and capabilities."

Sardo agrees that "workplace flexibility" has been an important area for HR innovation and that a flexible working environment is something many nimble businesses are more capable of offering than their larger and slower-to-act rivals.

"Giving staff the opportunity to work from home, giving them more flexible work hours, job sharing and creating more family-friendly work environments and policies are all important," he says.

"Mum-and-dad businesses, as they grow and maintain levels of service and quality, need to have improved people management practices. Generation X and Y are more mobile, they like challenges, are very assertive and always looking for the next thing so [these businesses] have had to improve and change their workplaces to cater for this."

Ben Geoghegan, founder of consultancy HRWisdom, also believes any innovative HR approach should involve a more flexible attitude towards when and how people work.

"There's definitely an increased acceptance of flexible work practices, such as contract work, freelancing, telecommuting, outsourcing (both locally and overseas), more part-time work and new types of leave including family activity leave and grandparent leave," Geoghegan says.

Greg Kinnaird, managing director of Australasian Management Centre, says that while many small businesses became complacent in their HR practices during the

"fat and prosperous times" of the past few years, the smart employers are becoming more innovative by focusing on value-add areas such as staff development initiatives, recognition and reward strategies, more varied work to encourage career-development opportunities and pay linked to performance.

He also says businesses should continue innovating with more family-friendly HR policies to address the ageing population.

"More than 40 per cent of the Australian workforce is over the age of 40 years, with approximately 25 per cent of the workforce (generation Y) under the age of 30," Kinnaird says. "So in the next 10 years, the older workers, including ... owners and managers, will start to retire and exit the workplace, which means succession planning will become critical because of the pending skills shortage that will be created by this."

"Many of today's older workers are becoming carers for their parents and this affects their ability to maintain a regular nine-to-five job. So [small businesses] will need to become more family-friendly to accommodate this trend by providing flexible working environments, projects and technologies."

Hattonneale, a specialist executive talent consultancy, is tapping into the baby boomers' talent pool by offering the skills and expertise of chief executives and other high-level executives on a part-time, interim or ad-hoc basis to small businesses that want the valuable experience and mentoring of this calibre but without having to pay the costly full-time salaries.

Hattonneale's joint managing director, Anne Hatton, is a former Australia and New Zealand chief executive of the HR multinational, Hudson.

She teamed with Jane Neale, former managing director of ad agency George Patterson, last year to establish Hattonneale and is using baby boomers to mentor, coach and pass on skills to generations X and Y.

"Why wouldn't you consider hiring a part-time marketing manager who's highly experienced?" Hatton says. "With a smaller budget, you can get an average full-time person or an excellent part-time person."

Neale says they connect businesses with executives who "have a lot of experience, have ridden lots of difference economic cycles but no longer want to work full-time".

**'There's definitely an increased acceptance of flexible work practices ... and new types of leave.'** Ben Geoghegan