

# LEADERSHIP

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## No casual matter

Australia's percentage of casual workers is one of the highest in the world, so business must make the best use of this flexible labour market. **By Emily Ross**

**F**or the past 15 years, the amount of casual work in Australia has steadily increased to the point where Australia has one of the highest rates of casual workers in the world (28%), second only to the Netherlands. The deputy director of the Workplace Research Centre at Sydney University, John Buchanan, says: "Australia is setting the pace." This trend fits with the emphasis on lean organisations that take a more short-term, on-demand approach to their labour force and work on the assumption that extra labour can be brought in during operational peaks.

At the logistics company Linfox, the ratio of casual workers changes according to the time of year. At peak times, its casual labour force reaches 12%, but can reduce to about 5% in slower periods. This workforce, which works at all of Linfox's 270 sites, is divided into two parts: casuals on the Linfox payroll and agency labour.

More than 2500 casual workers employed through agencies have gone through Linfox's conversion program and joined the Linfox payroll. The logistics division's new vice-president of organisational development and human resources, Gina Jardine, says the program allows casual workers to try out Linfox, and the employer has the opportunity to see who would suit the Linfox culture. "If you don't have these programs, they are not going to stay and you have to rely more on agencies," Jardine says.

As part of a total strategic review of human resources at Linfox, presented to the board on April 28, Jardine is involved in reassessing the way the company works with employment agencies — a reflection of how the casual labour market is maturing.

Employment agencies such as Manpower Australia and Drake International are creating new outsourcing business models for their clients as part of their services. They

are expected to provide much more than a certain number of workers for a certain time. "At the moment, we have a number of suppliers whom we will ask to come in and have a chat with us about sharing the risk," Jardine says.

Manpower Australia's chief executive, Varina Nissen, agrees that casual labour has moved into an era of risk-sharing. One of Manpower's clients, an electronics company, contracts the firm to provide field staff equipped with cars and diagnostic tools to monitor equipment at its clients' sites. Manpower is paid based on the performance of the electrical company's equipment in the field. The fee for one of Drake's contracts at a large call centre is based on customer service and the productivity of the workers rather than on a per-head, per-hour basis.

Nissen oversees Manpower's Australian

operations of 900 staff in 70 offices. It co-manages two of the largest outsourcing contracts in Australia, for the Australian Defence Force and Hewlett-Packard.

Australia's move to outsourcing and high levels of casual work has led to the responsibility for training and development of non-core workers falling into the hands of temporary work agencies.

Manpower has had to increase its services to agency workers, offering online courses, training, development and an increase in surveys to assess workers' attitudes. Just as Manpower has had to add to its worker services, Drake now offers more training and development, desktop training, personal performance and professional development. It has designed programs to better fit workers to the culture of a client's business.

At Advance Recruitments in Paramatta, more time is being spent on screening casual workers. The director of Advance, Luba Charlton, says: "More behavioural interviews are being performed and more clients are concerned about cultural fit, even for casual work teams." Charlton has also seen a move to better site inductions, access to relevant educational media, occupational health and safety briefings and process manuals.

Another motivation for companies such as Linfox to review the way they are working with casual labour is the maintenance of their employment brand. Linfox's capacity to hire the right people is also a critical factor in developing the business. Jardine says: "We have to think smartly about motivating all Linfox workers to ensure return on investment. We need to be the market leader."

### The commitment factor

One of the fundamental arguments against employing casual rather than permanent staff is that it can stifle innovation. Casual workers are less likely to receive any in-depth

### LABOUR LESSONS

Determine the organisation's short-term and long-term labour requirements.

Find the right mix of casual and permanent workers for the business's needs.

Protect the business from talent shortfalls. The leaner the business, the more damaging labour or skill gaps will be.

Develop and continuously improve the employer brand.

Ensure that casual workers are treated with the same level of consideration as permanent employees.

Create formal and informal ways for all employees to offer ideas for business improvement.

Ensure that casual workers come into their roles ready to perform at their peak.

SOURCE: BRW / DRAKE INTERNATIONAL