

AIM sprinkles Salt on the future.

For one day in Sydney, Bernard Salt took participants in an AIM Management Masters Series on a journey to the future.

Bernard Salt believes that Australia is at a pivotal point in its history. It is safe, secure, stable and free. It is capable of supporting more development and is inextricably connected to the global economy. It offers an unparalleled lifestyle, sits on the edge of Asia and competes with the world's developed nations. So why can't we keep our best and brightest?

Some statistics provided during the morning workshop on the **Demographic Tipping Point (How and Why Developed Nations Must Shore Up Supplies of Talent and Labour)** pointed to the rate with which Australia attracts migrants from Asia. In 2006 = China 31,500, India 29,300, Malaysia 10,100, in contrast to the rate in which the cream of our workforce is siphoned off by stronger, richer, lower-taxing city-states.

He said Australia is in danger of becoming a training camp – investing in training and developing people, but losing our best and brightest analysts, thinkers, strategists to the US, the UK and Dubai. The problem is that when people leave Australia at 24-25 and stay away until they are 31-32 years – they tend to not come back. Sometimes it's because they have relationships and families and want to stay... or they move up to a career level that makes it difficult to come back at the same level (of pay and status) in Australia. In that way, Australia creates a barrier to its people coming back. People in the age group 25-55 are givers not takers. We are exporting these givers to other countries during their most productive period of their life when they work and pay taxes and don't draw as much on the state's purse...this is not a smart equation.

In terms of the three distinct generations currently in the workforce, Bernard discussed many of the behaviours, beliefs and attitudes of Gen Y and how best to engage this specific group. Equally, retention of Gen X and Baby Boomer staff is paramount as the bucket of available talent employees is shallower. This is due to the steady decrease in the growth rate of Australia's working population which will be almost half in less than 10 years due to the retirement of Baby Boomers and the lower population growth.

The US and the UK are cherry picking our best and brightest because they too are experiencing a shrinking labour market. This is exacerbated by the cultural need for Australians to test their mettle overseas – we celebrate this and parents are proud when they can say, ' my son's in New York, or my daughter's in London or Dubai" .

So how do you attract and engage Gen Y, retain and reward Gen X and better utilise Baby Boomer knowledge and experience. Some insights:

Gen Y is the 'me generation' they live in the moment, need a context for instructions, they need a purpose, they are cynical toward big institutions they

can pick up if the CEO's words and actions are inconsistent with the strategic plan.

Gen X feel that they have to work harder to accommodate Gen Y's work-life balance while Gen Y looks at them and says "we are just working smarter than you – not harder".

Baby Boomers feel disenfranchised because their knowledge and wisdom appears to be undervalued and underemployed. They have experienced 'austerity to prosperity' and wonder what Gen Y would do if they woke up in a recession – believing 'prosperity – austerity' would be a worse scenario to deal with and that "Gen Y's time is yet to come".

To anyone from a large family this type of sibling rivalry is very familiar – "the younger ones never had it as tough as the older children".

Businesses need to better manage the relationships between each of the generations and harness their talents so that the workplace is an environment where everyone has a voice, and can learn from each other. Only then can both the individual and the organisation benefit.

Bernard offered the following ten tips on what business needs to do to survive the skills shortage.

1. Offer careers within careers
2. Focus on work-life balance
3. Engage with staff
4. Provide training and constant learning opportunities
5. Make public displays of social and ethical responsibility
6. Create a culture of positive relationships
7. Transmit consistent messages/values
8. Provide inspirational leadership as opposed to benevolent dictatorship
9. Become a preferred employer
10. Initiate mobility programs – career breaks so people come back to you