

## **Employing the Shoalhaven**

### **– challenging the paradigm with a network approach**

As reported in the DEWR Shoalhaven Regional Skills in Demand Survey February 2007, the Shoalhaven has a large pool of potential labour supply (eg unemployed people and Centrelink participants). Work needs to be done to encourage many of these people to enter the workforce and address issues regarding their work experience and/or skill levels’.

Shoalhaven City Council’s Economic Development Office (EDO) has been concerned about this issue for several years. The inability of existing programs to challenge the status quo has been a stumbling block in moving forward. The solution is therefore not using traditional employment engagement models, and to break the “cycle” in a regional area we need to challenge the paradigm. To do this we need to re-educate ourselves as to how to solve the problem and adopt different techniques to reduce Shoalhaven’s problem which has existed for over 20 years.

In order to develop appropriate solutions to a regional employment market we need to first understand the framework and operations of the existing employment market structure. We need to investigate and analyse the formal and informal activities that help people gain employment, as well as the activities that employers use to find staff.

For example, while the Shoalhaven has high unemployment, it is known that people move to the region every year and successfully find employment (evident through constant population growth and increased workforce participation - see Appendix for Shoalhaven Employment Changes). It is also known that many businesses fill vacancies without using formal methods such as advertising positions via the newspaper, internet or employment agencies.

Shoalhaven City Council's EDO has anecdotal evidence, developed during 30 years of operation, to suggest that in regional areas job seekers who participate in social networks such as sporting associations, P&C associations, clubs, volunteer organizations, etc have greater success in gaining employment locally. Council wishes to test a hypothesis, developed by the EDO, that relates to how social networks can be used to enhance employment opportunities and support social inclusion and skills policies. Once this hypothesis is tested the findings will be used to develop and implement projects that help people gain employment in a regional job market.

Shoalhaven City Council is willing to project manage this proposal and has been in contact with a number of universities interested in working with us to test this hypothesis through research, pending funding availability.

We therefore seek financial support to assist with progressing the project and research into the regional employment market. The benefits relate to the potential to improve services and formulate programs that better assist job seekers in a regional job market.

**An overview of the project is included on the following pages.**

## **Shoalhaven - finding a job through net(work)ing**

This project has five distinct phases including two streams of research to test the hypotheses and identify practices that could be utilised by other job seekers to enter the workforce.

### **Phase 1 : Shoalhaven Employers - working the net(work)**

The first stream of research would collect information from regional employers in regard to formal and informal recruitment practices. This research can be conducted via a survey of regional businesses in the Shoalhaven, and could include the same employers surveyed for the DEWR Shoalhaven Regional Skills in Demand Survey reported in February 2007.

The aim of the survey will be to identify the extent to which employers use non traditional recruitment practices and the prevalence of each type.

### **Phase 2: Shoalhaven Job seekers – surfing the net(work)**

The second stream of research will track (much like the 7 UP series) people who are new to a regional job market and identify how people gain and change employment. The research will have a particular focus in regard to how social networks are used directly, or indirectly, to help people gain employment. The research would be conducted over a period of 5-6 years, however results could be reported and analysed for trends every six months.

The three groups of people suggested for this research would be;

- New residents and their family members of working age
- Local job starters
- Residents re-entering the employment market

### **Phase 3: Shoalhaven Job Market – identifying the network**

Identifying the role of social network groups such as sporting associations, P&C associations etc, in the development of employability skills and experience will form the third phase of this project. These networks can provide an important employment “system” for job seekers to tap into. The anecdotal evidence is that jobs are found by job seekers demonstrating good employee characteristics in social networks.

The proceeding research outcomes will assist in proving/disproving the hypothesis and then pointing to “better” pathways to develop and nurture. From this appropriate strategies will be developed to drive an implementation phase.

### **Phase 4: Shoalhaven Job Ready – utilising the network**

As a result of the above research and strategic analysis, practical solutions we will develop to address workforce issues and help people to gain access to employment. The solutions will relate to the enhancement of social networks which can be used to assist job seekers in gaining employment, and educate the job placement system regarding the new paradigm to be developed and utilised.

The current emphasis on formal presentations – including resumes, interview techniques etc - is missing the mark for many unemployed, especially those who have been unemployed for a long period of time. Being on time, courteous, innovative, are all attributes that job seekers can demonstrate by participating in social and sporting networks and lead to an invitation for employment.

The benefits of using social networks to help address workforce issues are twofold.

- Firstly, they offer an opportunity for job seekers to connect with their community and develop relationships that can assist both personally and professionally. This is even more important for the long-term unemployed who risk social exclusion as a result of their unemployment status over many years.

- Secondly, participation in social networks can increase a job seekers' abilities (team-work, timeliness, positive self esteem, communication, innovation, goal setting, planning to name a few) and therefore confidence which can be eroded after a long period of unemployment. (DEWR, 2007 Lack of experience and "poor attitude" were the most common reasons reported by employers for rating applicants as unsuitable).

### **Phase 5: Shoalhaven Employment – implement the network strategies**

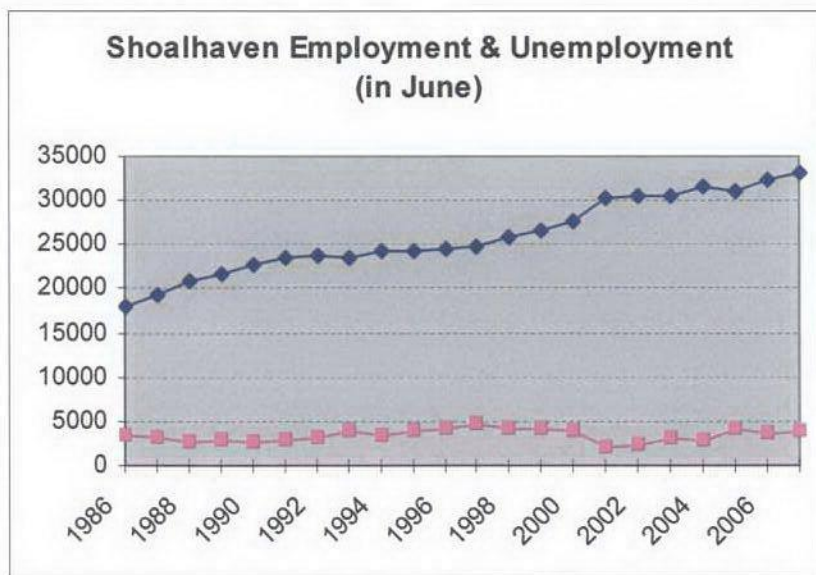
The fifth and final stage of this project is the implementation of the strategic outcomes. Although Shoalhaven City Council is keen to be involved in this delivery, the overall outcome needs to be addressed by all sectors in the community. Council through its Economic Development Office, can implement certain strategies in its role in assisting business find suitable employees with the necessary skills and capabilities. Council's pivotal role in a regional community places it in a good position to co-ordinate many of the implementation strategies.

As the outcomes and deliverables are anticipated to be a different focus on the same problem, implementation may not be as difficult as first thought. This project is an appraisal of a different paradigm, accepting of the outcomes and strategies, and re-educating the job seekers and job placement providers that the solution needs to adapt to the market – it is NOT a case of "one size fits all".

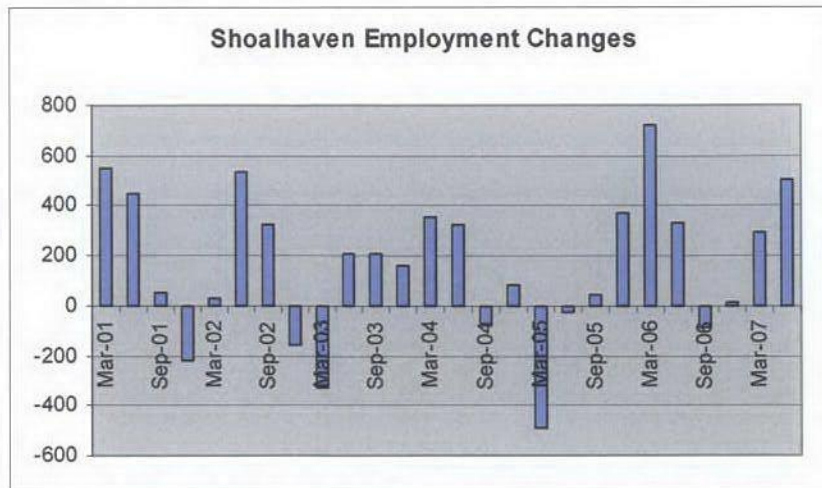
## Appendix 1: Shoalhaven Employment Changes

The Shoalhaven LGA has demonstrated constant population growth since the mid 1900s. In 1986 the population was 55,980, rising to 76,726 in 1996 and reaching 92,196 in 2006. This growth will continue for the foreseeable future as part of the NSW Govt's South Coast Strategy.

Employment requirements to satisfy this population growth are quite considerable. Using historical workforce participation rates, almost 4 jobs are required to be created for each 10 new residents or 600-800 each year based on annual population growth of 1500-2000. The growth in employment is shown in the graph below demonstrating that for the period 1986-2006, employment rose from 21,415 to 35,956 whilst for the same period unemployment remained relatively static at 3435 in 1986 and 3517 in 2006.



A quarterly review of employment growth shows regular increases in employment generation.



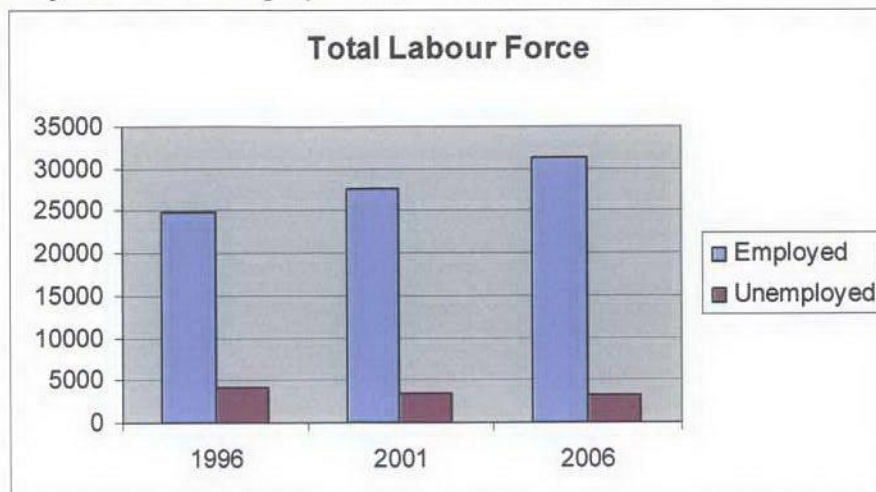
From a closer look at the data in recent years it is evident that the job growth is not constant, but the question remains that despite this growth, the levels of unemployment are not disappearing, in fact are remaining one of the highest rates in NSW if not Australia.

Year	Average Jobs created each quarter	No jobs created total
July 2006 - June 2007	182	728
July 2005 - June 2006	367	1468
*July 2004- June 2005	-126	-504
July 2003 - June 2004	263	1052

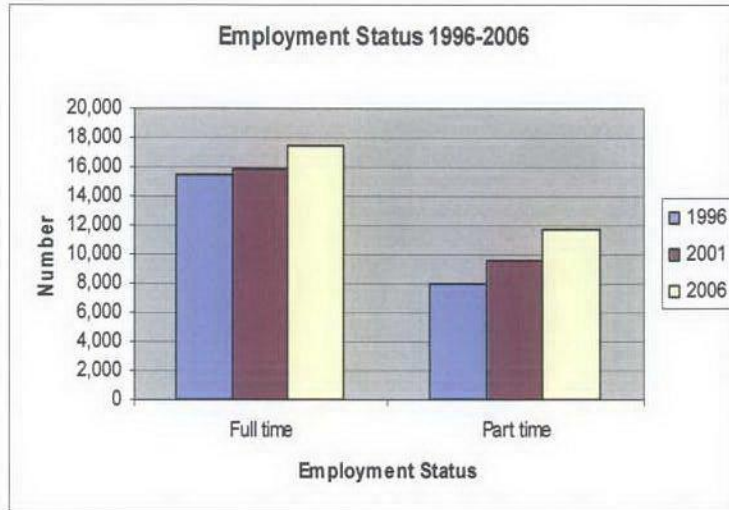
\*This data correlates with closure/downsizing of several businesses in the Shoalhaven (eg Dairy Farmers).

### 2006 Census

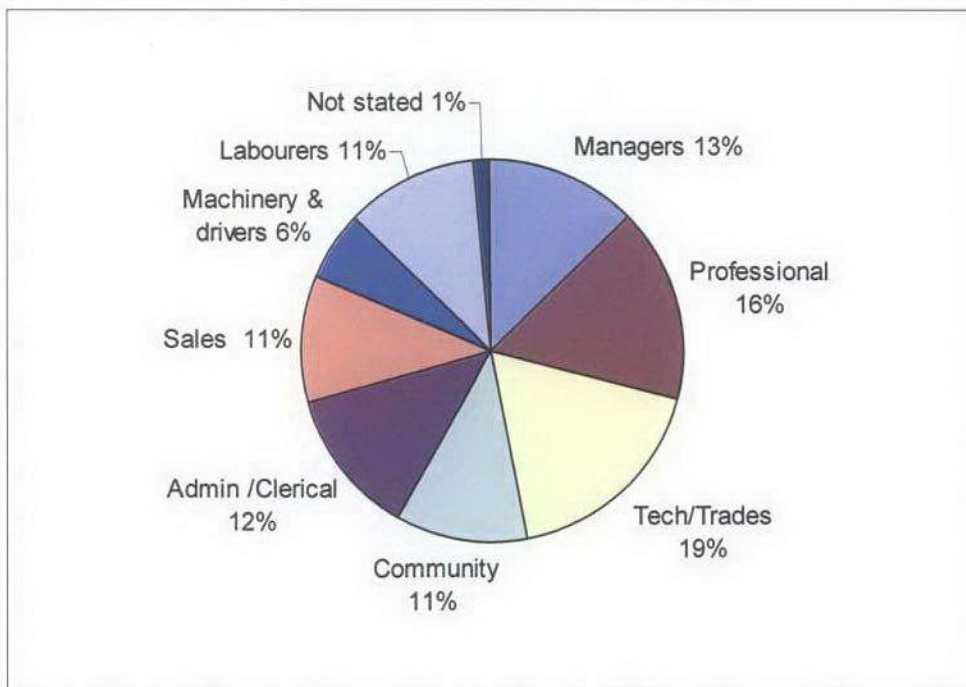
Using the 2006 Census Data provides similar trends. When comparing the Labour Force for the Shoalhaven. The comparison over previous census shows a constant growth in employment/jobs whilst unemployment has remained static.



The analysis of type of employment is also revealing but not inconsistent with state & national trends in that the growth in casual employment is just as strong as that in full time employment.



The types of employment in the Shoalhaven may also be a reason for the higher rates of unemployment in that almost half (48%) of employment, from the 2006 Census, is based on managerial, professional and technical/trades skills.



In the inter-censal period 2001-2006 the occupational sectors that demonstrated stronger growth were again the professional and skilled occupations, reflective of the type of industry exhibiting growth in the area. Of the 3701 additional occupational responses, 28% were professionals, 18% community workers and 16% trades/technical.

