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For all organisations, professional development of employees is a valuable team support and retention tool as well as an excellent opportunity to make a corporate contribution to individual achievement of potential.

RossJuliaRoss operates a proactive employee life-cycle based development program that commences with on-boarding and continues by offering inclusions such as academic support, customised in-service courses, ANTA-accredited curricula and other industry-specific professional development opportunities.

Most recently, we developed with an external research and development consultant, a program to better equip our teams to more effectively identify and address the increasingly sophisticated and diverse people, process and technology solutions that our client organisations require. This professional development program is now being implemented widely in our business and we invite any comments our clients may wish to make to marketing@rossjuliaross.com.

economic update

by Glenn Meekin, Chief Financial Officer

The Reserve Bank of Australia (RBA) held the official cash interest rate unchanged at 6.5% in early October 2007. This was due mainly to uncertainty with global financial markets and the housing industry crisis in the US.

The Australian economy continues to be buoyant. Nominal retail sales lifted by 0.7% in August 2007, following on from an increase of 1.6% in June and 0.8% in July 2007. The annual growth rate in retail sales of 7.8% is the highest in three years.

Strong employment is driving consumer confidence and hence, the good retail sales performance. The unemployment rate of 4.2% is at generational lows and labour force participation is high. Over the year to August 2007, the labour force expanded by 237,000 workers or 2.2%.

The chance of an interest rate rise over the next 6 months is building and will firm if the September 2007 quarter CPI is higher than RBA targets.

Source: ANZ Australian Economics weekly - 5 October 2007. Author Riki Polygenis.

HR update

by Michele Jones, Employee Relations Manager

The Future of Workplace Relations

There is much speculation about what changes in workplace law, if any, will be forthcoming in the next federal election, however one thing won't change. This is that sound human resources management practices and employee benefit systems which reward good performance will always increase productivity and improve employee stability.

To be specific, companies that have the following characteristics will undoubtedly prosper in any industrial relations system:

- fair, merit based remuneration systems
- on the job and external training
- career development opportunities
- HR policies that create a safe, supportive environment, where rights and obligations are clear
- employee benefits to enhance one's working life and create a competitive edge over other employers

At Ross and Julia Ross, we believe in sticking to these HR fundamentals for both our internal staff and contractors and therefore can flourish as both a service provider and employer during changing times, remaining effective under any IR regime.

Source: www.workplaceinfo.com.au

managing work/life balance: maintaining the balance

“The Way Ahead” report - 2007

The Work/Life Balance Benchmarking survey has been conducted annually for the last ten years. It examines the current status of work/life balance initiatives in organisations throughout Australia. This article is part one of a series that we will continue next month, discussing some of the results of this report.

The findings in The Way Ahead continue to demonstrate that work /life balance initiatives are delivering benefits to organisations. This year they also provide strong indications that the changing demographics within the workplace are having a significant impact on the type of options and programs that organisations need to offer their employees.

Organisations from the public, private and not for profit sectors participated, and all major industries in Australia were represented. The data indicate what organisations have achieved and what areas are priorities for the future. They also yield insights into the factors that contribute to superior business performance by identifying “Best Practice” organisations and contrasting them with organisations that are in the early stages of work/life balance initiatives.

The 2007 Work/life Balance Benchmarking Survey demonstrates the value of work /life balance initiatives, and the costs of not developing a balance for employees between work commitments and their personal lives. Some of the key findings are:

- 75% say that their efforts over the last 12 months have been focused on increasing workplace flexibility.
- 88% of Best Practice organisations, 60% of Government and 62% of Business Services/Consulting organisations are broadening their programs to address the redesigning of jobs to better accommodate flexible work arrangements.
- 80% overall say they have achieved culture change as a result of encouraging supervisors to be supportive of employees and to find solutions that work for both the organisation and the employee.

One of the primary goals of this survey is to provide information that enables organisations to analyse their own actions and achievements in work /life balance. The results from the Best Practice organisations are substantially better on most dimensions than other groups in the study, such as industry types, and small or large organisations.

The data show that Best Practice organisations are more likely to:

- Feel satisfied with the level of implementation of their work/life strategy. 89% say that it is growing with the support and impact they would expect, compared with 64% overall.
- Be focused on skilling managers and team leaders to manage work/life flexibility issues (84%)
- Have published guidelines and decision-making criteria for implementing and negotiating flexible work arrangements (89% compared with 44% overall)

In our next edition, part two will reveal how Best Practice Organisations are achieving a return on their investment of time, effort and dollars, as well as the impact of health and well being on organisational performance.

Source: Work Life Initiatives - The way ahead report on the year 2007. Managing Work/Life Balance.

more women = better financial performance: new report

New US research released in October shows that companies with more women on their boards perform better than those with very few women. The study, “The Bottom Line: Corporate Performance and Women’s Representation on Boards” was conducted by New York-based consultant Catalyst (catalystwomen.org) and revealed Fortune 500 companies with the highest representation of women board directors attained significantly higher financial performance, on average, than those with the lowest representation of women board directors.

The study looked at three critical financial measures: return on equity, return on sales, and return on invested capital, and compared the performance of companies with the highest representation of women on their boards to those with the lowest representation.

According to the company’s president Ilene Lang, the “study demonstrates the very strong correlation between corporate financial performance and gender diversity. We know that diversity, well managed, produces better results. And smart companies appreciate that diversifying their boards with women can lead to more independence, innovation, and good governance and maximize their company’s performance.”

The report found the correlation between higher corporate financial performance and higher representation of women board directors was valid across most industries.

The study was conducted across four-year averages in financial data obtained from the S&P Computstat database in three important measures:

- Return on Equity:
On average, companies with the highest percentages of women board directors outperformed those with the least by 53 %.
- Return on Sales:
On average, companies with the highest percentages of women board directors outperformed those with the least by 42%.
- Return on Invested Capital:
On average, companies with the highest percentages of women board directors outperformed those with the least by 66%.

Catalyst believes the study establishes a clear association between diverse boards and strong corporate performance. According to US publication Workforce Management Week, the study also found that there seems to be a sharp uptick in performance for companies with at least three women on their boards, which suggests that going beyond mere “tokenism” is also rewarded. Return on equity for that group was 16.7 percent, compared with 11.5 percent for the average company. Return on sales was 16.8 percent, compared with 11.5 percent for other firms, and return on invested capital was 10 percent compared, with 6.2 percent for the average firm.

Yale School of Management visiting professor Constance Bagley is quoted in Workforce Management Week: “If I were a top female graduate at one of the top business schools, I would feel that I would have a stronger career path at a company with more women on its board.... having more women on their boards helps attract and retain women employees.”

If you require any further information on the articles in this issue, please email the Marketing Department, marketing@rossjuliaross.com