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11 Ideas to Minimise the Impact of a Technical Skill Shortage

Ask any manager of a technical business to name one of their biggest frustrations and within the top 5 will be the shortage of good technical people. For the purpose of this article, a technical person refers to a tradesperson or technician who is a certificate qualified, skilled individual involved in a hands-on, specialist activity. The qualifications are normally obtained via an apprenticeship or traineeship scheme at a TAFE College or similar institution. It also refers to a technical sales representative or engineer who typically started out as a tradesperson and took the initiative to move into a sales role, or a degree qualified engineer who had a keen interest in new business development. These employees are damn hard to find. Administration, finance, design engineers, warehouse roles are normally not a major problem. With some rare exclusions, this problem applies across most technical industries - Air Conditioning & Refrigeration, Hydraulics & Pneumatics, Construction Trades and many others. It's obviously a case of supply and demand but why the imbalance, especially considering it has been around a long time and only seems to be getting worse. This article is not about drilling into the detail of "why?" - there are many reasons - but more about how or what does a business do to minimise the impact of this problem.

Before we get into the "How?" it's prudent to provide some reasoning for the "Why?" An experienced Chairman of a mid-size organisation was heard retorting to a middle manager who used the lack of good technical people as an excuse for his lack of progress....."Have they all died?" The message was blunt but to the point. They existed last week, last month, last year so if they haven't died, where did they go? A good point but does not provide the answer to the "why?" nor does it help to provide a solution to the challenge.

Why? There is an increasing number of high school leavers keen to gain a university spot rather than take on a trade career. An ABS report of 2012 states that in 1970, only 3% of Australian workers had a degree, whilst in 2001 it was 20% and 2011 it was approximately 28% and continuing to rise. The level of Australian workers with a trade or equivalent sat at around 33% between 2001 and 2011, and is projected to reduce or at best remain unchanged over the next few years. Add to this, the tendency to have the hands-on tradesperson wanting to migrate up into management - physically less demanding, prestige and a promise of more money - and the issue is exacerbated. To a manager, it means little to understand why but more importantly to understand "what" practical ideas he/she can implement to minimise the negative impact.

The following ideas will help and can be applied to just about any technical business;

1. Look after your people. This is obvious but unfortunately, too many times complacency sets in and it is too late to make amends when a resignation notice is presented. Keep abreast of the best pay rates in your industry. Consider incentives schemes such as bonuses, commissions. Improve work conditions. And always communicate and care.
2. Provide a Career Path & New learning Opportunities. Talk to your employees about their aspirations and their 5 and 10 year goals. What do they enjoy? Many apprentices/trainees are impatient and want to learn all areas of their trade and industry as quickly as possible. Consider a rotation program through the different departments of your organisation. Consider an 3 to 6 month exchange program with your competitors, suppliers and clients.
3. Develop your own. This is an investment in time and money and it takes 2-3 years before a business can say they're getting productivity out of the young apprentice, trainee or cadet engineer. However, it is one of the best ways to develop and retain your technical team.
4. Recruit Wisely with Great Mentoring & Coaching. Cast the net out far and wide. Use all available methods; the online recruiting services (Seek, CareerOne, etc.), social media, local and city newspapers, private apprenticeship organisations, School, TAFE & University Noticeboards, etc. Find the individuals

who are ambitious, enthusiastic to learn and passionate about what they want to do. These traits will outweigh any experience, qualifications, age or gender. Then ensure a great mentoring program is in place to nurture and accelerate the learning - the individual will greatly appreciate it and full productivity will be achieved sooner rather than later. A win-win! And remember, older experienced tradespeople, engineers make great mentors.

5. Present to Local schools & TAFE: Be proactive and visit and present at schools as part of career and information sessions. Present the organisation as a great employer and as experts in the field. Young minds, unsure of what they want to do may have a "light bulb" moment and see your company and the technical career as their future.
6. Take on Work Experience students: Hands-on involvement at an early age will test the interest for the technical positions on offer and it will also give the company a great insight into the young person's enthusiasm and interest.
7. Make It Attractive for Girls & Women. An area which is greatly overlooked is the potential for girls and women to enter the technical fields, a sector normally dominated by boys and men. If the interest is there, women bring other qualities (high emotional intelligence, empathy, social skills, etc.) which are sadly lacking in many of the technical roles. Recent studies reveal that of the Top Global 500 organisations, only 5% have women CEOs and it is primarily due to their lack of operational/technical experience. A rare exception is Mary Barra, CEO of General Motors, an electrical engineer who worked way up through many operational and technical roles.
8. 457 Visas: An option which opens up your search area outside of Australia. There are many countries where the specialised skill the business craves is in abundance. The downside to this option are the many immigration department hurdles, the cost and it is never a short turnaround. However, it does remain a very good option and if time is on your side, the cost and red tape is a small price to pay.
9. Outsource: Relook at your business model. Can this skilled function be outsourced to another company which does have a good pool of technical people? You may find that when you add up the idle time (poor utilisation), the overhead costs and the frustration of finding suitable individuals, an outsourcing arrangement may allow you to put on a small margin and return a better bottom line.
10. Train & Inform your Customer: Instead of providing the actual hands-on technical support, consider providing the training instead to train your client's employees to service/repair and maintain their own equipment. You may find the revenue from the training and spare parts is more lucrative. This idea could also be applied to alleviate the need for a field sales representative. Instead, redirect this resource towards providing very good literature on your website.
11. Redesign the Product, Process or Service: Consider eliminating the requirement for this technical skill. On the face it, this seems counter-intuitive. Why do you want to do away with a revenue stream, e.g. service and spare parts? If you cannot support your product or service, your clients will move on to another company. With innovation, that is, redesigning and simplifying the process, product or service which does away with the complex technical support, you maintain and in some cases increase your revenues.

The above are just a few ideas which can help any business struggling to minimise the impact of a shortage of good technical tradespeople and sales staff. Some of these suggestions may not suit your business. In most instances, your strategy should be to adopt them all or some. There may be other ideas, and in any good business, the ongoing habit of that business must be to take on the challenges, invest and innovate, not just in new products and services but in the way it does business. For its part, governments at all levels must assist businesses to overcome skilled labour shortages, develop and support programs to attract young people (especially girls and women) to take up technical disciplines, incentives for businesses to hire apprentices/trainees and keep older workers, reduce red tape and other hurdles for skilled migration visas. It's in the interest of Australia's economy that we provide support to businesses that continue to struggle with an obvious shortage of skilled technical employees. The above list will go some way to address the skill shortage.

