THE ROLE OF WORK LIFE BALANCE EMPLOYER BRANDS AND REGIONAL SKILL SHORTAGES

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ABSTRACT

Significant skill shortages, demographic changes and the emergence of the knowledge based economy have intensified pressure on organisations' ability to attract and retain the best employees from a tightening labour market. Organisations located in regional locations are finding it particularly difficult, in the light of regional skill shortages, to attract and retained skilled workers. These trends also relate to the emergence of work life balance (WLB) as an important strategic human resource management (HRM) issue facing both organisations and employees. Increasingly organisations are using WLB strategies as part of their employer branding strategy to attract and retain the best employees. Given that many people choose to relocate for lifestyle considerations, how can organisations use WLB employer branding strategies to attract and retain workers seeking an improved lifestyle from a location based and workplace perspective? This paper considers the WLB employer branding concept within the regional skills shortage literature and suggests a range of future research directions.

INTRODUCTION

It is now well documented that rural and regional Australia is experiencing somewhat of a skills crisis. This comes at a time when emerging demographic trends suggest many Australians are seeking what can be described as an amenity-lifestyle change. These people are commonly referred to as 'sea-changers' or 'tree-changers' in the popular press (Salt 2007). It is widely acknowledged a complex range of factors explain the flexibility and mobility of workers when faced with the prospect of relocating to a regional location (Canterford 2006). Two of those factors, are interconnected and relate to the relocating worker's desire to improve their lifestyle and to enjoy a better work life balance (WLB). The first of these factors is related to the lifestyle attraction of the region. This destination based approach relates to factors often associated with the improved lifestyle offering of a regional location including a more relaxed slower pace of life, increased leisure time due to decreased commuting time, relative peace and quiet, lower crime rates and the aesthetics of the natural environment (Salt 2001). The second factor relates to the requirement of employers to offer work and pay conditions that will enable the relocating worker to actually enjoy the aforementioned lifestyle factors. To that end regional organisations that develop and deliver a WLB employer brand will play an important role in attracting and retaining workers to areas facing skill shortages. This makes the WLB employer brand research area an important consideration within the context of the regional skills shortage literature.

This conceptual paper provides a brief overview of the regional skills shortages literature before introducing the concept of a WLB employer brand. Finally, the paper will make a number of suggestions for future research directions to stimulate research into the WLB field within the regional skills shortage context.

LITERATURE REVIEW

A large majority of Australia's regions are reporting widespread skills shortages. Australia is currently experiencing a robust period of high economic growth and low unemployment and these conditions conspire to make the skill shortage problem of increasing concern to those regional based residents, employers and those charged with developing governmental policy trying to deal with the problem.
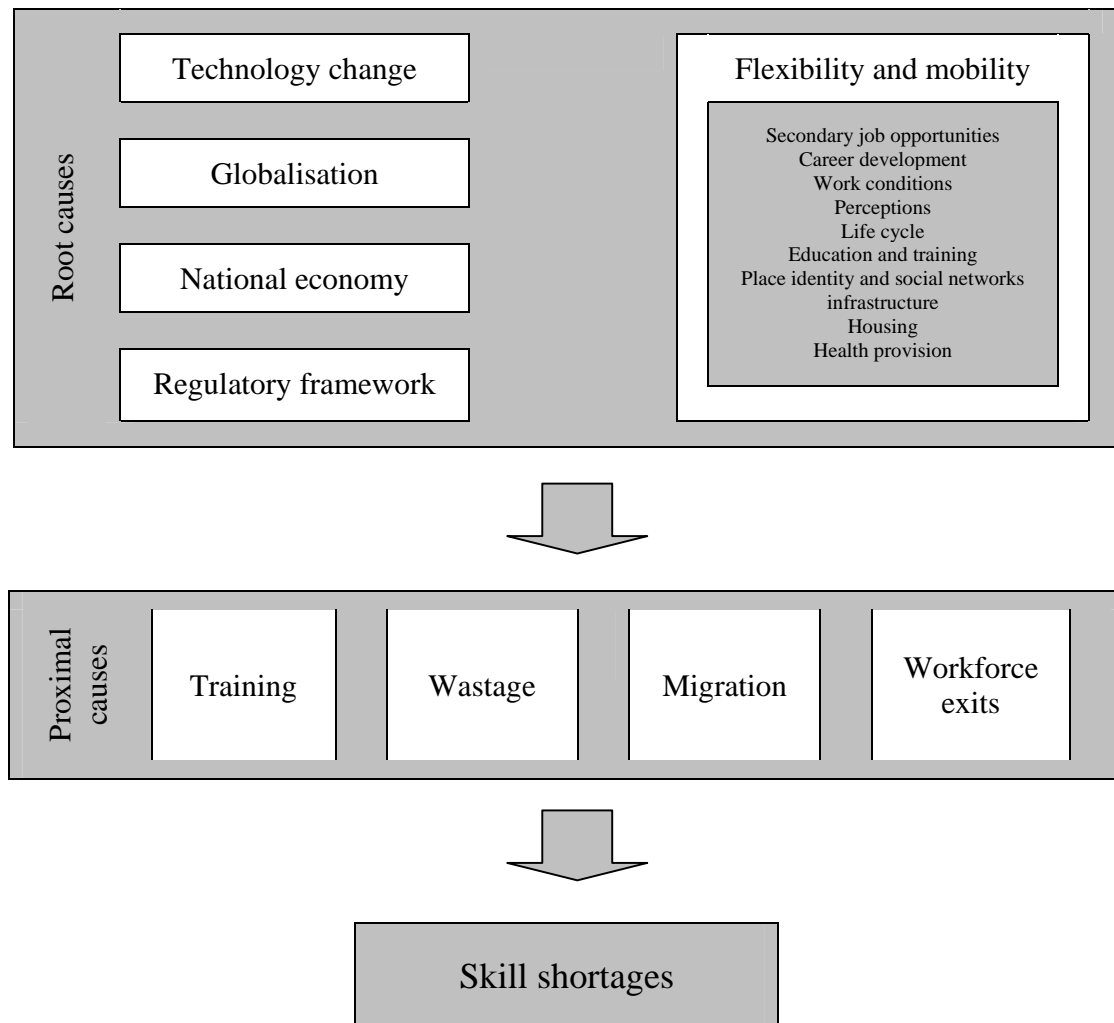
In discussing skill shortages this paper will use the definition developed by Shah and Burke (2003) and used in subsequent research in this area (e.g. Canterford 2006: ix).

'A skill shortage exists when the demand for workers for a particular occupation is greater than the supply of workers who are qualified, available and willing to work under existing market conditions'.

Skill shortages are felt across a range of industries and geographical regions in Australia (Canterford 2006; Watson, Buchanan, Campbell & Briggs 2002). While a lack of detailed data about the exact geographical location and industrial distribution of regional skill shortages stifles the development of strategies to deal with the problem, the Council of Australian Governments (COAG) has at least put the issue on the political agenda by agreeing to share labour market information to identify and understand the location and extent of skill shortages (COAG 2006 cited in Canterford 2006). A number of publications including the June 2007 Department of Employment and Workplace Relations' (DEWR) Skilled Vacancies Index (DEWR 2007) report historical highs in terms of skilled shortages in the regions. In addition the Australian Chamber of Commerce and Industry (ACCI) notes that the availability of suitably qualified employees is consistently listed as the largest constraint on business investment (SAI Global & ACCI 2007) and these problems are magnified in the regional areas (DED 2006). For many regional locations, the inability to attract skilled employees to a region to fill positions impacts on the level of production and a reduced ability to meet local demand (Shah & Burke 2003; Richardson 2005 cited in Canterford 2006: p. 1).

Canterford (2006: 9) developed a model based on existing literature and case studies supplied by the Area Consultative Committee (ACC) network to highlight the drivers of skill shortages outlined in Figure 1.

Figure 1: **Drivers of skill shortages**

Root causes	
Technology change	Flexibility and mobility
Globalisation	Secondary job opportunities Career development Work conditions Perceptions Life cycle Education and training Place identity and social networks infrastructure Housing Health provision
National economy	
Regulatory framework	

Proximal causes			
Training	Wastage	Migration	Workforce exits

Skill shortages

Source: Canterford 2006: 9.

The first level of drivers of skill shortages includes the most immediate proximal causes including training, wastage, migration and workforce exits. While understanding the nature and impact of the proximal causes is important, stakeholders in the skills shortages issue should also have an understanding of the root causes. Canterford (2006) classifies these root causes into two main categories. The first category identifies drivers of a global nature and includes technology change, globalisation, the national economy and regulatory framework. These factors influence the demand for employees but another category of factors referred to as flexibility and mobility factors represent the supply side of the labour market equation by explaining why workers may or may not be prepared to relocate to another geographic region to fill a vacant position. These factors include the secondary job opportunities for spouses and/or children moving to the region with the skilled worker; a perceived lack of professional and career development opportunities in the new region; the work and pay conditions on offer; problems associated with the negative perception that regional locations are inferior to metropolitan locations; life cycle and

stage considerations; education and training opportunities; place identity and social networks; and, the infrastructure, housing and health provision available in the region (Canterford 2006).

The combination of these underlying root causes and proximal causes demonstrate the multi layered and complex nature of the skill shortages problem. Research suggests that many of the people that do choose to migrate to a regional location, termed internal migrators in the academic literature, do so seeking a lifestyle change (Burnley & Murphy 2004; Hamilton & Mail 2003; Salt 2001). Therefore, regions that are competing for skilled workers actively promote themselves as a great place to live (SCORD 2004). Beyond that, at a micro level, organisations that are actually going to employ these skilled employees must also promote themselves as a great place to work. While many regional towns promote the reduced number of hours spent commuting as a potential lifestyle attraction for internal migrators seeking an amenity lifecycle change these attractions can be counteracted by organisations that do not embrace WLB as a strategic human resource management issue. In other words, if the potential skilled employee has to work for an organisation that doesn't have a commitment to WLB manifested in its policies and workplace culture they may feel that the other lifestyle considerations afforded by the regional location are less significant. This dilemma is especially relevant in the health profession where regional and rural doctors often work significantly longer days and are on call more frequently than their metropolitan based counterparts (Miles, Marshall, Rolfe & Noonan 2004). The following discussion introduces the WLB employer brand concept before suggesting future research directions to investigate the role of the WLB employer brand in attracting skilled workers to regional locations.

In the current Australian business climate a combination of demographic, labour market and competitive pressures has refocussed attention on the Human Resource Management (HRM) strategies used by organisations to recruit and retain employees (De Cieri, Holmes, Abbott & Pettit, 2005). Due to the shortage of skilled workers across a range of industry sectors and geographic locations and the realisation that intellectual and human capital is the foundation of competitive advantage in the modern economy (Berthon, Ewing & Li Lian, 2005), organisations are developing employer branding strategies in an attempt to attract and retain the best employees.

Employer branding activities establish the identity of the organisation in the minds of the potential labour market as a 'great place to work' above and beyond other organisations (Ewing, Pitt, de Bussy, & Berthon, 2002). Google and Dell Computers are two organisations embedding employer branding into their business strategy activities (Sullivan, 2007). While still in its embryonic stage of development, employer branding as a concept has emerged from a number of marketing sub-disciplines including advertising (Berthon et al., 2005; Ewing et al. 2002), brand management (Ambler & Barrow, 1996), internal marketing (Berry & Parasuraman, 1991); and marketing management (Ritson, 2002). To date the concept of employer branding does not appear to have made the trans-disciplinary extension to the HRM discipline. A search of the most widely used HRM academic databases found no refereed publications on employer branding and the small body of literature that was sourced was contributed by management and HR practitioners in the "popular" business press (e.g. Sullivan, 2007; Management Today, 2006). This may be explained by the reticence of academics to borrow concepts from other disciplines. Indeed Gunasekara (2002) warns the HRM profession against 'simply imitating conceptually attractive solutions from other disciplines…' (p. 5).

Alternatively the apparent dearth of employer branding literature may be explained by inconsistencies in the terminology used. Employer branding is similar to the concepts of 'employer of choice' (Fox, 2003), 'corporate image' (Gatewood, Gowan, & Lautenschlager, 1993 cited in Ewing et al. 2002; Riordan, Gatewood & Bill 1997) and 'corporate or firm reputation' (Arnold, Coombs, Wilkinson, Loan-Clarke, Park, & Preston, 2003; Turban & Cable, 2003). However, for the purpose of consistency employer branding is used in this paper.

One of the most familiar tools of employer branding is employer advertising where organisations use advertising to promote the unique employment proposition they offer potential recruits (Ewing et al.,

2002) in the same way that marketers use advertising to promote the unique selling proposition of a product or service. While advertising is a well accepted *tool* of employer branding, the employment brand itself encompasses the organisation's values, systems, policies and behaviours toward the objectives of attracting, motivating, aligning and retaining the organisation's current and potential employees (Gunasekara, 2002). While advertising is used to promote the proposition it is the organisations values, systems policies and behaviours as espoused by Gunasekara that determine the quality and attractiveness of the 'proposition'. Across many industry and occupation sectors an organisation's work life balance (WLB) strategies and culture (Meiksins & Whalley, 2002; Pocock, 2003) is seen as a key recruiting tool. The emergence of "Best Employer" Awards that feature an organisation's WLB credentials are evidence of this (e.g. Best Employers in Australia and New Zealand).

Earlier definitions of WLB focused on work-family balance and the 'family-friendly' programs introduced as part of workforce diversity management to enable employees to meet their family responsibilities (Lewis & Rapoport, 2005). A sample of policies includes flexible hours, part-time work, job sharing, telecommuting and working from home arrangements (Bardoel, 2003). As the 'balance' literature has evolved a more expansive definition including work *life* balance has emerged that looks beyond family care responsibilities. To this end, WLB strategies are those that enhance the autonomy of workers in the process of co-ordinating and integrating work and non-work aspects of their lives (Felstead, Jewson, Phizacklea, & Walters, 2002). Furthermore, Meiksins and Whalley (2002, p. 2) suggest it is important proponents of the WLB concept look beyond the family care responsibilities of employees to also consider the needs of employees transitioning into retirement or pursuing "dreams" in addition to their work. This paper uses the more expansive WLB term because it is a reasonable assumption that internal migrators are seeking a greater work life balance and not just a work family balance.

A considerable increase in the research and interest in the WLB concept has been witnessed in the United States (Drago & Hyatt, 2003) and Australia (Pocock, 2003) over recent years. In Australia the impetus for work-family practices has been driven by the significant changes in the demographic trends in the workforce and changes in the structure of family life (Bardoel, Tharenou & Ristov 2000, p. 58). In Australia WLB has transcended the academic sphere to become a recurring topic of focus in the mainstream print (e.g. Doran, 2007; Shepherd 2007) and broadcast media (e.g. Dwyer, 2007, Armstrong, 2006; Armstrong, 2007). The media attention has been partly fuelled by the release of three reports looking at the WLB issue. In 2006 the House of Representatives Standing Committee on Family and Human Services released the 'Balancing Work and Family' report. 'It's About Time – Women, men, work and family' a report by the Australian Human Right's and Equal Opportunity Commission was released in 2007 and a report by the Australian Relationships Forum 'An Unexpected Tragedy – Evidence for the connection between working hours and family breakdown in Australia' have all placed WLB in the public discourse.

There is widespread agreement that WLB goes beyond HRM policy considerations. Merely creating a set of WLB policies available to employees is not enough. Fostering an organisational culture that encourages and supports the use of available policies is critical (Bardoel, 2003; De Cieri, Holmes, Abbott & Pettit, 2005; Hochschild, 1997; Hudson 2005; Nord, Fox, Phoenix & Viano, 2002; Pocock, 2003; Thompson, Beauvais & Lyness, 1999) if both employees and employers are to enjoy the benefits afforded by WLB strategies. The benefits for employees include the opportunity to balance their working and non-working lives. For employers, researchers have reported on a range of potential benefits including acknowledgement of being a 'good' corporate citizen (Russell & Bourke, 1999); improved organisational commitment (Allen, 2001); increased job satisfaction (Bedeian, Burke & Moffett, 1988); improved organisational performance (Perry-Smith & Blum, 2000); increased organisational productivity (Konrad & Mangel, 2000); and, improved staff morale (McCampbell, 1996). Furthermore, both HRM and Management Consultants suggest that WLB strategies can enhance the employer brand that will lead to other associated benefits including a broader and better quality labour pool available, improved employee retention and reduced turnover (Hudson, 2005; Barrow & Moseley 2006). Of course the latter benefits are

of critical importance for organisations located in regional areas experiencing difficulties in attracting skilled workers.

FUTURE RESEARCH DIRECTIONS

Notwithstanding that research on regional skill shortages, employer branding and WLB, to a lesser degree, are still in the early stages of development a number of 'knowledge gaps' can be identified from the existing literature. First, very little is known about the role WLB plays in the configuration of an organisation's employer brand. At this stage only the recommendations of HRM and Management Consultants are available for consideration. In other words, when considering a variety of employer brands do the WLB strategies from various organisations form an important part of such a comparison? Furthermore, who is attracted to organisations that promote a WLB employment brand and are they the same internal migrants that are seeking an amenity lifestyle change in a regional location? Research by Honeycutt and Rosen (1997) suggests that salient role identity does not adequately explain an individual's attraction to a job offering family friendly human resource policies. That research found that *all* categories of individuals, including those with salient family or balance identities *and* those with salient career identities were attracted to organisations with flexible career paths and policies. The Honeycutt and Rosen research suggests that other factors, beyond salient role identities, may reveal the dependant variables that explain attraction to a WLB employment brand in a regional location.

Second, once individuals move to a regional location and join an organisation based on its WLB employment brand attributes how does their actual WLB experience affect the employee's perception of its employer brand? Berthon, Ewing and Li Lian (2005) have called for researchers to consider how the employer brand affects 'post – employment dissonance' (p. 169). To that end, can a WLB employer brand increase job choice satisfaction and decrease post – employment dissonance for internal migrators seeking a lifestyle change?

Very little is known about the strategies used by local regions in dealing with the regional skill shortage problem. While it's understood that many stakeholders at a regional level (e.g. local councils, employer groups, chambers of commerce) are now promoting the region as a great place to live at the meso-level, are employers at a micro level also tapping into the lifestyle mobility motivators by promoting the organisation as a great place to work? Future research into this area should examine the use of WLB employer branding strategies by organisations within and alongside the destination marketing strategies used at a regional level to attract workers to areas experiencing skill shortages to meet the lifestyle change needs of potential internal migrators.

This important issue requires a mixed methods approach. Exploratory qualitative research by way of case study using in-depth interviews, focus groups and content analysis will uncover rich insights into the motivations, perceptions, attitudes and beliefs of internal migrators seeking a lifestyle change. This will be an important stage in the theory building and refining stage before a large scale quantitative survey can be used to test the framework and draw conclusions about the WLB employer brand, lifestyle - amenity change seeking internal immigrants and regional skills shortage nexus. This will require a dual approach examining the strategies used by organisations in developing and implementing a WLB employer brand and the views of those employees that are attracted to it.

CONCLUSION

This paper has provided a brief outline of the WLB employer brand literature within the context of the emerging regional skills shortage problem facing Australia. An understanding of the mobility motivations of internal migrants suggests that a desire for an improved lifestyle plays an important role in the decision making process of individuals as they weight up the perceived costs and benefits of relocating. However,

very little is known about the importance of the WLB credentials of the regional employer trying to attract skilled workers. This paper calls for research to explore the strategies used by employers to position their organisation as a great place to work for those seeking better WLB and the motivations of those that are drawn towards the promise of a better WLB. The research will provide an important contribution to both the theoretical and practical understanding of the regional skill shortages and WLB research nexus.

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