

# Wave of disenchanted workers ready to walk out the door

PETER MARTIN

July 5, 2010

EMPLOYERS beware. Your employees have extraordinarily itchy feet.

An astonishing third of Australian workers are planning to switch jobs, according to a survey released just before figures that are expected to show another hefty rise in new job advertisements.

The finding by the management consulting firm Hay Group backs up a separate finding by Drake International that 50 per cent of Australian workers are thinking about changing jobs and 25 per cent are planning to do it.

"It's payback," Drake's strategic manager, David Edwards, said. "For two years during the financial crisis employees stayed put and suffered cuts in hours and conditions. Instead of feeling grateful for keeping their jobs, they are planning to move."

Hay finds that while 33 per cent of Australian employees are looking to switch jobs, in Europe and the US the figures are only 22 per cent and 16 per cent.

"This should send alarm bells ringing in human resources departments across the country," the head of insight at Hay, Sam Dawson, said.

"The landscape has changed; workers who have been grateful to hold on to employment are sticking their heads above the parapet and gauging what the recovery means for their career prospects," he said. "This could spell bad news for those companies who have failed to take necessary steps to implement effective engagement programs during the tough times."

The survey finds the cost of replacing an employee ranges from 50 to 150 per cent of the employee's salary.

The best way to keep workers is to provide "tools and processes to actively deal with employee frustrations," but for many employers it is too late.

"About one quarter of Australian employees have already decided," Mr Edwards said. "Not all of them will move, but right now none are expecting to stay."

In the first five months of this year new jobs were created at the rate of one every 90 seconds, about 28,000 per month. Economists surveyed by Reuters expect Thursday's figures to show the rate of job creation slowed to 17,000 in June, enough to keep the unemployment rate steady at 5.2 per cent.

The Reserve Bank is expected to leave interest rates on hold when it meets tomorrow, waiting until its August meeting, when it will have inflation data, before considering whether to raise rates.

Although turmoil in Europe and world sharemarkets will make it reluctant to lift rates in August, a very high inflation rate would force its hand. The inflation data to be released on July 28 is the only obvious trigger for a rise likely to occur in the lead-up to a federal election.

---

## Top Business articles

1. [Rise in inflation to irk RBA](#)

2. [Shares slip to 11-month low in lacklustre trade](#)
3. [Government gives thumbs up to MySuper](#)
4. [Expect a conga line of rent seekers](#)
5. [NAB, Leighton chase \\$95m in Matrix profits](#)
6. [More Business articles](#)

## Business Topics