LABOUR ATTRACTION AND RETENTION IN RURAL AND REMOTE QUEENSLAND COMMUNITIES

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ABSTRACT: Attracting and retaining a skilled labour force is a critical yet complex issue for rural and remote communities. This article reports the findings of a study investigating the current approaches to attraction and retention in two separate Australian regions. Building on previously developed models, this research analyses the roles employers and wider communities are playing, or potentially could play, in addressing issues that influence labour shortages. The findings of this research highlight the complexities of labour attraction and retention and emphasise the need for communities and businesses to work together to overcome labour shortages in rural and remote locations.

KEY WORDS: labour; attraction; retention; employment, communities

1. INTRODUCTION

Skills shortages in rural and remote communities impinge on the competitiveness of regions due to the lack of services and amenities available. Many organisations in such regions face challenges in recruiting skilled labour despite the offer of a well-paid, secure job; and this is particularly apparent when a skill set is in short supply. The reasons why a region struggles to attract and retain workers are inherently complex. At a basic level, a skills shortage can be attributed to an overall shortage in supply and excess demand. However in some cases, there may be an excess supply in one region where organisations attract skilled workers through offering higher wages and better conditions, and in

doing so, create a skills shortage in surrounding regions. However, it is not possible for all employers in a region to adopt these approaches (Lever and Turok, 1999) and they must therefore identify other strategies to compete for the available supply of labour. Regions can typically consider three separate types of 'in migration' in order to boost supply of workers; urban (or international) migration, inter-regional migration and intra-regional migration (Stimson and Minnery, 1998). Each of these types of migration offers potential benefits and drawbacks, with some more difficult than others to achieve.

The attraction and retention of workers have become key challenges for organisations and communities when competing for skilled labour. Both businesses and communities suffer when there is a lack of skilled and unskilled labour. For employers, their businesses cannot grow, and additional stress is placed on the existing workforce and their families as they attempt to meet the demand placed on their businesses. For the community, people cannot access services such as healthcare, education and childcare that meet their expectations. In rural and remote regions especially, this leads to more people departing the region, placing the sustainability of communities in jeopardy. Therefore, regions may be better able to compete for labour if employers and communities work together to develop approaches to attract and retain workers in rural and remote areas.

Carroll *et al.* (2009) have reported that regardless of location, three different groups of factors influence an employee's decision to join, leave or remain with an organisation: outside factors (such as relocation with partner, leaving to start a family); internal push factors (such as a lack of contentment with the current job or work); or external pull factors (such as more attractive offers from other organisations). Schoo *et al.* (2005) identify three key domains that impact upon recruitment and retention in rural and remote regions: individual or personal, organisational, and community issues. Their research focuses on a specific professional group (allied health workers), however, they do not address attraction and retention factors on a wider basis. The current study builds on the research by Carroll *et al.* (2009) and Schoo *et al.* (2005) by examining the influence of internal and external factors on attraction and retention of employees in rural and remote communities, and identifying factors that enable regions to compete for skilled labour. Drawing upon these aims, we establish the underlying research question:

Which organisational, personal and community factors influence employee attraction and retention in rural and remote Queensland communities?

The following sections provide a discussion of the literature regarding competitiveness of regions, and attraction and retention from the organisational perspective. Some of the previous national and state government policy initiatives, aimed at attracting and retaining workers in rural and remote areas, are also identified. Subsequently, two empirical case studies from Queensland are presented in light of individual, organisational and community factors and their impact on attraction and retention of skilled workers.

The research reported in this paper was conducted on behalf of an Australian state government department responsible for regional development, and was supported by regional development bodies in the participating regions. Nevertheless the potential lessons to be gained from the findings provide implications for a much wider audience, and identify approaches worthy of consideration regardless of the regional community in question.

2. COMPETITIVENESS OF REGIONS

Malecki (2004) maintains that regions compete for workers on the basis of *absolute* rather than comparative advantage. Absolute advantage can be explained using *non-price competitiveness* (Camagni, 2002) pertaining to human capital, infrastructure and intangible advantages such as social and relational capital, cooperation, collective learning and untraded inter-dependencies. Further Malecki (2004) argues that competition for workers involves more than marketing the region itself, but rather enhancing the services and amenities that attract and retain workers. The competitiveness of regions is a multidimensional phenomenon and should include factors such as location, available infrastructure, quality of life and amenities which facilitate the attraction and retention of skilled and highly mobile workers. Subsequently, it is these skilled workers who foster the process of regional growth and rejuvenation (Boschma, 2004).

Competition among regions has flow-on effects for firms in rural and remote communities. Boschma (2004) argues that it is important to understand how the competitiveness of regions impacts the sustained performance of firms. In this study we examine how such competition impacts the attraction and retention of skilled workers. Firms have long recognised that in competing for scarce resources such as skilled workers,

the image of the firm is important, and the same applies to communities or regions competing for skilled workers. Rural and remote communities in particular, need to promote their attractiveness to potential visitors and employees. Such promotion or marketing needs to be aimed at specific groups such as employees and can include developing a positive image as well as enhancing the quality of life and local infrastructure (Malecki, 2004). When the target group is skilled employees, it is essential that the amenities, culture and the quality of life are appropriate, and the positives of living and working in the community are emphasised.

The problems of attracting and retaining skilled workers are exacerbated in rural and remote regions because these small communities lack the capital investments to improve their infrastructure, and cultural and social amenities, thereby decreasing their competitiveness. Although skilled workers are mobile, they ultimately choose from a small number of locations and therefore make the decision based upon the most appropriate for their needs and circumstances. This impetus to choose further disadvantages rural and remote regions, resulting in the requirement to compete in different ways, with a more restricted set of policies (Malecki, 2004). One way that rural and remote communities can compete is through quality of life. Jessop and Sum (2000) maintain that enhancing quality of life can lure mobile employees, and when competitiveness is achieved through factors such as territorial quality, it benefits local economic and social activity.

3. EMPLOYEE ATTRACTION AND RETENTION

Prior to this study commencing, Australia had experienced a prolonged period of low unemployment and a shortage of occupational skills in some regions and unskilled labour in others (Australian Bureau of Statistics, 2006). Even with the advent of the global economic crisis, unemployment in Australia has remained relatively low with a rate of 5.4 percent in January 2013 from a low of 4.2 percent in 2008 (Australian Bureau of Statistics, 2012). With unemployment continuing at similar levels, the problem of attracting and retaining employees affects most Australian organisations, but more specifically, businesses operating in rural and remote communities. At times of low unemployment, even businesses in urban centres struggle to find sufficient workers (DEEWR, 2011) and therefore there is little incentive for workers to move to rural areas in order to secure employment. Within regional communities, it is

often the case that younger age groups are likely to migrate to larger centres to gain skills and expertise, but unless these individuals (or others in their place) can be attracted back to the region, there is an overall loss of human capital (Stockdale, 2006).

Attraction and retention of employees are not new issues for human resource management (HRM) but have emerged as distinct challenges for the HRM functions of recruitment and selection (for example, see Frank *et al*., 2004; Hausknecht *et al*., 2009; Jamrog, 2004; Waldman and Arora, 2004). The issue of employee attraction is a more recent focus of HRM literature, with the earliest works emerging in the early 1990's and steadily increasing since (for example see Devendorf and Highhouse, 2008; Kammeyer-Mueller and Liao, 2006; Ployhart *et al*., 2006). The emergence of this discussion can be linked to the growing recognition of the importance of human resources in developing the capabilities of the organisation, but it has also been driven by the recognition of an increasing need to attract the best employees possible to counteract a skills shortage (Herman, 2004; 2005). However, often the proposed approaches to attraction in contemporary literature are applied broadly across employment contexts, and few studies have identified the extent to which particular approaches are used by organisations in rural and remote areas, where a wider and different range of social and community issues have a potentially strong influence on attraction.

In addition to attracting sufficient and appropriate workers, at times of very low levels of unemployment and ongoing skills shortages, there has also been a focus on the retention of employees. Ongoing labour problems have fuelled the debate on how best to engage employees in the workplace, with the ultimate goal of reducing labour turnover (Carroll *et al*., 2009; Hausknecht *et al*., 2009). Within the existing literature and research relating to retention of employees, there are different schools of thought. Some studies have focused on the reasons why people remain in an organisation, whilst others focus on the factors that influence an individual's decision to leave an organisation with the intent of addressing these issues wherever possible. It has been found that retention practices in most organisations take the latter approach (Vos and Meganck, 2009); however, there has been a call for a more positive focus on measurement of retention rather than an examination of causes of separation or turnover (Waldman and Arora, 2004).

Hausknecht *et al*. (2009) reported the wide range of factors that impact on retention, including; job satisfaction, extrinsic rewards, attachment to co-workers, commitment to the organisation, organisational prestige, organisational fairness, flexible work practices and advancement

opportunities. However these are all factors internal to the organisation and this focus is common in literature relating to retention (for example, see Frank *et al*., 2004; Jamrog, 2004; Waldman and Arora, 2004). There has been less attention paid to external factors such as availability of services and amenities in local communities. One of the few to investigate external factors was Carroll *et al*. (2009) who began to explore other issues that may influence labour turnover. Hausknecht *et al*. (2009) also investigated factors that are less able to be addressed by an organisation but with an impact on retention, including a lack of alternative jobs and the convenience of location.

The discussion of factors impacting retention ranges from those who argue for specific changes in the working environment as the key to retention and engagement (Jamrog, 2004), to those who acknowledge the existence of both individual and firm-based factors in the decision to remain in an organisation (Huang *et al*., 2006). During this research, the view was taken that both internal and external factors play a role in attracting and retaining employees. In particular, the research addresses the call from Penz *et al.*, (2008) to consider the potential impact of community factors on attraction and retention in rural areas. It is often the community issues that are ignored by the mainstream literature and, in the case of rural and remote communities, which play a large role in both the attraction and retention of workers (Penz *et al*., 2008; Miles *et al.*, 2006). As Hemphill and Kulik (2011) point out, it is not simply a case of ensuring the fit of potential workers to the organisation but to also ensure a fit with the region, or to take the opportunity to shape jobs in a way that utilises local labour. It can also be the case that retaining employees in the region is more important than retaining employees in a single role or organisation; if the skills remain available to the wider community they are still contributing in some way to that local economy regardless of the role in which they are used.

While it is argued that consideration must be given to both the supply and demand sides of the labour shortage equation (Baum *et al*., 2008), most government initiatives and responses from industry sectors and individual organisations appear to focus heavily on the supply side: how to attract more workers into the business, the workforce, the region or the industry. In Australia, state governments in particular have implemented a range of measures that begin to address the problem. For example, the Queensland Government's 'Blueprint for the Bush' (Department of Communities, 2006) and the 'Queensland Skills Plan' (Department of

Training, 2006) were introduced to encourage partnerships between industry, community, training organisations and government. The aim of these initiatives was to develop strategies to overcome labour shortages and to address future skill problems.

Even though efforts have been made to identify and address factors impacting on attraction and retention, it is apparent that further analysis is necessary. Focusing only on the organisational level or on taking measures to attract individuals to rural and remote communities does not necessarily represent a holistic and integrated approach to this complex issue. This study therefore investigates organisational, personal and community factors which impact attraction and retention in rural and remote communities.

4. METHODOLOGY

In order to address the gaps in the literature, this study adopted an exploratory approach using a qualitative case study design. Yin (2003) notes that exploratory studies are primarily useful for the generation of hypotheses centred on the phenomena under investigation. Therefore it was anticipated that the findings would result in the emergence of further theory and hypotheses to guide future research in the area. Research conducted within the qualitative paradigm is characterised by its commitment to collect data from the context in which social phenomena naturally occur, and to generate an understanding that is grounded in the perspectives of research participants (Marshall and Rossman, 1995; Miles and Huberman, 1984).

The qualitative approach and exploratory nature of this research influenced the data collection method and selection of cases. In this study, two regions were selected as cases using purposeful sampling. These cases were chosen based on the need to obtain data from regions experiencing difficulties in recruiting and retaining employees, particularly skilled employees, yet differing significantly in size, population, industry types, income levels and business demographics. In order to ascertain the underlying causes of skills shortages in these regions and to identify exemplars of good practice, data were collected over a period of six months.

Focus groups and interviews (either face-to-face or via telephone) were conducted within the main centres of the two case regions: the Central Highlands and the Gulf Savannah, both located in Queensland. The objective was to identify the critical issues facing the communities in relation to skills shortages and the current practices being used to address

these issues. The participants were identified with the assistance of representatives from various local government and community organisations. They were selected based on their involvement in business and regional development activities (including employers, employees and community leaders) and on their willingness and availability to participate in the focus groups or interviews. Given the small size of the communities, participants represented key organisations involved in employment and recruiting activities.

Data collection focused on identifying what actions, if any, were being taken to attract employees to the regions. The questions used for both the semi-structured interviews and the focus groups included: How easy is it to source sufficient supply of labour for the demand within your region?; What are the concerns of those considering moving to your region?; and What do you think makes your region 'liveable' in the eyes of someone considering moving to your region? As the interviews and focus groups included long-term residents and some new to the community, the research was able to identify the different perspectives on the topics addressed. Table 1 summarises the participants involved in data collection. It should be noted that a greater number of data collection activities was necessary in the Gulf Savannah region due to the sparse and widely-dispersed nature of the population. The variation in numbers of data collection activities between the regions reflects the differences in accessing population and the size of the populations. However in each region participants interviewed represented between two and three percent of businesses.

Table 1. Data Collection

Region	Town	Organization/Association	Data Collection Method	No of Participants
Central Highlands	Emerald	Emerald Chamber of Commerce (representing local business representatives)	Focus groups	12
		Local Government representatives from 3 shires	Focus groups	6
		Local business representatives such local councils, car dealers, mining contractors retailers, builders and farmers	Telephone interview	95
Gulf Savannah	Mt Surprise	Mt Surprise Progress Association (representing local business, hospitality, retail, council, school, retirees, health care, and new residents)	Focus groups	12
		Healthcare organization	Face to face interview	1
	Georgetown	Georgetown Progress Association (representing local business, council, school, church organizations, law enforcement, and health care)	Focus groups	14
		Georgetown Council	Focus groups	5
		New business owner	Face to face interview	1
	Forsayth	Forsayth Community Group (Local business representatives such as farming, hospitality sectors mining contractors retailers, builders and farmers	Focus groups	6
	Croydon	Croydon Council	Focus groups	2
		Croydon Police Station	Face to face interview	1
		Croydon State School	Face to face interview	1
	Normanton	Normanton State High School	Focus groups	4
		Carpentaria Shire Council	Focus groups	5
		Professionals – health care, child care, vocational education, community health	Face to face interview	4
	Karumba	Karumba Progress Association (representing local business, council, government departments, health care, hospitality, mining and retail	Focus groups	9

Source: the Authors

The data were analysed using thematic analysis. Thematic analysis can be approached in a number of ways, but in its most general form is "a method for identifying, analysing and reporting patterns (themes) within data" (Braun and Clarke, 2006, p.79). Taking a thematic approach to analysis involves interrogating data collected through interviews, focus groups, observations and from other sources such as documents, and identifying key themes that are present in the data. The important issue for those conducting thematic analysis is that the identification of key themes is not solely reliant on the number of times a theme emerges but on an interpretation of the extent to which the theme is salient to the phenomenon being studied (Braun and Clarke, 2006).

After the data had been collated and analysed, the final stage of the research involved conducting workshops in the two regions to allow participants and other community representatives to provide feedback and to validate the findings; a strategy widely used by qualitative researchers to ensure, via participant checking, that the reported results are a trustworthy representation of the data (Glesne, 1998).

5. FINDINGS

Key comparable statistics (shown in Table 2) were used to identify the differences between these regions. Both regions in this study were experiencing occupational skills shortages but the underlying causes were not identical. The skills shortages in the Central Highlands were reported to be the direct result of an increasing demand and high wages for workers brought about by a rapid growth in coal mining and associated support industries. In the Gulf Savannah region several factors were reported to be underlying reasons for skills shortages, with the most common reasons cited being isolation and the tyranny of distance.

Table 2. Key Statistics and Demographics for Case Regions

	Central Highlands	**Gulf Savannah**	**Queensland**
Number of local government authorities	5 (Emerald, Peak Downs, Bauhinia, Duaringa, Jericho)	3 (Croydon, Carpentaria, Etheridge)	74
Area	59 969 km^2	133 236 km^2	1 734 174km^2
Population (2009)	30 403	3 335	4 425 103
Unemployment rate (Qld 5.5% 2011)	2.5% (2011) Range between 2.7% (2009) to 2.4% (2010)	13.6% (2011) Range between 11.7% (2009) and 15.3% (2010).	5.5% (2011)
Employment by industry (highest ranking industries 2006)	Mining 22.3% Agriculture, forestry & fishing 12.2% Retail 8.6%	Agriculture, forestry & fishing 33.2% Government administration & safety 14.9% Accommodation & food service 7.9%	Retail 11.6% Health Care and Social assistance 10.2% Manufacturing 9.9%
Largest industry sectors	Mining $2.6 billion (59.2% of regional production in 2008/09) Total value of agricultural production 2005–06 was $449.6 million. Livestock slaughtering accounted for $316.1 million (70.3% of regional agricultural production) Crops accounted for $113.1 million of regional agricultural production.	Total value of agricultural production 2005–06 was $104.2 million Livestock slaughtering accounted for $103.4 million (99.2% of regional agricultural production) Crops accounted for $0.8 million of regional agricultural production.	Total value of agriculture $8 708 900 000 Livestock slaughtering accounted for $4 125 million (47.4% of total agricultural production) Crops accounted for $4 168million of regional agricultural production.

Table 2. (Continued) Key Statistics and Demographics for Case Regions

	Central Highlands	**Gulf Savannah**	**Queensland**
Largest occupational group	Machinery operators and drivers – 2 765 persons (19.6% of employed labor force) Managers (2 221 persons or 15.7%). Technicians and trades workers (2 658 persons or 18.8%)	Laborers - 343 persons (24.9% of employed labor force) Managers (305 persons or 22.2%). Technicians & trades workers (169 persons or 12.3%)	Professionals 312 865 persons (17.1% of employed labor force) Technical and Trades 280 342 persons (15.4% of employed labor force) Clerical and administrative 269 198 persons (14.8% of employed labor force)
Mean taxable income (Qld average $42 094)	$52 600	$39 825	$44 239
Business size*	3 192 businesses (3 057 small, 126 medium, 9 large).	354 businesses (345 small, 9 medium)	404 457 (386 169 small, 15 594 medium 2 694 large)
Business turnover	1 285 - turnover < $100 000 1 504 - turnover $100 000 - $1 million 403 - turnover $1 million +	132 - turnover < $100 000 168 - turnover $100 000 - $1 million 54 - turnover $1 million+	177 102- turnover < $100 000 182 346- turnover $100 000 - $1 million 45 009 - turnover $1 million +

Source: Office of Economic and Statistical Research (OESR), (2011a,b)

The state of Queensland has experienced significant immigration over the last 10 years. Much of this immigration has been from international sources, with 17.9 percent of the population born overseas (OESR, 2011a,b). However, this does not flow to the regions experiencing skills shortages, with the Central Highlands having only 8.3 percent and the Gulf Savannah 6.5 percent of residents born overseas (OESR, 2011a,b). So while Queensland as a whole is an attractive destination, remote regions such as the Central Highlands and the Gulf Savannah are not viewed as appealing by mobile migrants, particularly those from overseas.

Whilst the population demographics discussed and the information provided in Table 2 gives some indication of the differences between the regions and points to potential factors impacting upon the attraction and retention of employees, this research sought to identify and analyse the specific factors that are influential at the levels of the organisation, the individual and the community.

Organisations Addressing the Challenges of Attraction and Retention

Due to the long-term nature and extent of skills shortages, the employers in both regions were focused on recruiting employees to fill specific positions, rather than implementing any longer-term strategy to gather pools of potential employees or to position their business as an attractive employment option. Importantly, when discussing the issue of attraction, employers identified the competition with specific industries (particularly the mining industry) and the negative perceptions of regional areas as the two key issues driving a lack of interest in the wide range of jobs available in the regions. Analysis of the data identified three key approaches used at the organisational level to attract and retain: offering benefits and incentives, redesigning work to allow for increased flexibility in work arrangements, and finally, the use of non-traditional labour pools such as skilled migrants.

In both the regions studied, the most common approach to attraction used by employers was to offer additional incentives or benefits in the advertised salary package. For example in the Gulf Savannah region, some council workers were offered up to six weeks annual leave and others could 'purchase' additional leave through salary sacrificing. In the same region, police officers in remote locations were able to utilise highly subsidised short-term housing on the coast so that they and their families could access health facilities and support services in a major centre. While in the Central Highlands, a local council that could not

compete on wages was utilising other attraction mechanisms such as paying sporting club fees and other costs associated with settling into a new community.

In both regions, a lack of available housing was a key issue and, specifically in Emerald (Central Highlands), housing costs were significantly higher than expected (if indeed housing could be found) due to the pressure from the local coal mining boom; a situation identified in other studies relating to housing in rural and regional areas (for example, see McKenzie and Rowley, 2013). It is common practice for large organisations such as mining companies to provide subsidised housing; however, one small carpentry business reported providing a house as part of an employment package just to attract and retain an entry level trades assistant. In the Gulf Savannah many employees had housing provided or highly subsidised by employers. For example, teachers had two bedroom accommodation for as little as $35AUD a week and the local council supplied three bedroom houses to workers for $90AUD a week.

In many cases, redesign of work, and in particular the use of drive in/drive out or fly in/fly out labour, was a common approach to recruiting sufficient workers. In these cases, workers' families remained residents of metropolitan centres. In the Central Highlands the use of fly in/fly out and drive in/drive out was widespread in mining and mining support industries.

However, mining companies were not the only employers taking this approach. In the Gulf Savannah the use of fly in/fly out approaches was prevalent in healthcare and associated services. Several specialised medical services such as doctors and dentists flew into communities on a regular basis. For example, the community dental team flew into Normanton every five weeks, the Royal Flying Doctor Service attended Mount Surprise (a smaller town in the region) twice a month, and a nurse visited by car twice a week. Some other services were also provided on a drive in/drive out basis with vocational education specialists for example driving from Mount Isa to Normanton (approximately 500 kilometres) to deliver training courses for mainly indigenous trainees.

In addition to the use of labour from outside the geographic region, there were also two examples of the use of overseas migration to meet recruitment needs. In the Central Highlands region, mechanics were sponsored migrants on special visas recruited from the Philippines to work for a car dealer. This strategy was proving successful, however, priority had been given to ensuring the integration of these migrants into

the community. In another community, a large agricultural machinery supplier was also sponsoring and recruiting mechanics from Denmark to address the skilled labour shortage. The employer sponsorship ensured the employees worked for the business for a minimum of two years and could not be recruited by other firms with the offer of higher wages or benefits. While skilled migrants provide a short term solution for some businesses, many businesses found the process of applying for visas and sponsoring workers to be overly complex and did not persevere with the process. These migrant workers often experienced problems integrating into the local community particularly when they were the only people from an ethnic grouping. Unlike the fly in/fly out and drive in/drive out workers these migrants lived in the regional communities and only returned home at most once a year for annual vacations.

Businesses in other communities found ways of addressing the particular shortages of labour on a seasonal basis. In the Gulf Savannah region, a hospitality business was recruiting Scandinavian backpackers from coastal centres over 1000 kilometres away to work temporarily during the tourist season. These backpackers saw this temporary employment as a chance to have an adventure in another part of Australia, whilst not being concerned about the temporary nature of the work. Similarly, both Gulf Savannah and the Central Highlands experienced a large influx of retirees travelling during the winter months; a group of travellers referred to as 'the grey nomads'. Some businesses were capitalising on these travellers, many of whom were retired professionals with expertise in areas such as accounting, building or law that were in short supply.

Personal Factors Influencing the Attractiveness of Regions

Individual or personal factors were identified in the analysis of the data as playing significant roles firstly in the decision to accept a job in a region and secondly, whether to remain in the region for an extended period of time. In particular, family/partner integration and lifestyle expectations were the most commonly identified personal factors.

In both regions studied, one of the most common personal factors creating difficulty in employee attraction was dual-career couples, or integration of a partner into the community. For those couples with both partners working, employment was required for both individuals, which often required a community network approach to finding work for both partners in order to make relocation to the region more likely. For example, in the Gulf Savannah, a primary school principal was employed

by the state education department and his wife was offered the job of director of the local day care centre; an offer that meant they were then prepared to move to the region. However, even for those with a partner not requiring full-time employment, the integration of the accompanying family into the community was reported as being critical.

An important issue in attracting workers to a region is not only engaging the potential worker, but also the extended family in making the decision to take up a position. In both the Gulf Savannah and the Central Highlands regions some employers had made substantial efforts to provide information for partners as a part of recruitment packages, and involved partners in the recruitment process including allowing them to accompany the applicant to the new region as a part of the selection process. In both regions, organisations had also instigated social support and taken significant steps to integrate partners and families into the community beyond what was being provided for the employee.

In targeting the right employees it is important that employers identify qualified people who will fit into the community. In the Gulf Savannah region several employees maintained that they had been misinformed or poorly informed about the services and amenities available in the community. This lack of information can have serious effects on new recruits to organisations in rural and remote communities. One example was given of a young single female teacher who was posted to a Gulf Savannah community and was so traumatised that she would '*cry herself to sleep at night*' until she was befriended by the young wife of a fellow teacher. She had moved from a coastal urban centre renowned for its beaches and nightlife and had no idea how to cope with the isolation and lack of amenities.

This mismatch of expectations was also evident in the Central Highlands region where the locals saw their communities as welcoming, while some newer workers reported problems fitting in when the local facilities did not meet their expectations in terms of amenities and lifestyle. However, employers generally recognised that families and particularly partners who were comfortable in the community yielded employees who were prepared to stay, or as one engineer about to leave the region due to family concerns despairingly explained, '*a happy wife means a happy life*'.

Coupled with the consideration of accompanying family or partners, many of the personal factors that impacted the attractiveness of rural and remote centres relate to the lifestyle available in smaller communities. As

one local council employee in the Gulf Savannah region suggested '*there is a lot of freedom and you are able to make connections in small towns; the social life can be better than in cities as people have a sense of belonging and being part of the community'*. However, the social life can also be very different to that experienced in large urban centres and many examples were provided by the research participants about the rich social activities experienced by people in the Gulf Savannah, such as gem fossicking, camp drafting and rodeo riding. In both regions, research participants emphasised the lack of stress and traffic, and abundant fresh air and open spaces.

In the Gulf Savannah region, individuals and communities were seen as welcoming and friendly, although if new people did not attempt to integrate or, as in the case of many teachers, indicated they were only staying a maximum of two years, locals were less accepting and accommodating. One teacher in this region provided an example of other teachers having difficulty with behaviour management in the classroom as even the children were cognisant of the short stay of many teachers.

Rural and regional centres offer safe and secure environments where many workers have jobs that are close to their place of residence. In one case, a police sergeant had moved from interstate where he had been a senior police officer and explained that his relocation was based on his desire to return to community policing and a simpler way of life. The small and intimate nature of the Gulf Savannah communities increased the amount of time employees could spend with their families, and as one employee mentioned with great enthusiasm, '*it is even possible to go home for lunch'*.

Community Factors Influencing the Attractiveness of Regions

The key community factors identified relate to the provision of sufficient and appropriate information about the town and region, the need for a community approach to attract and retain new residents, and the importance of managing expectations from the point of view of the employee, the family and the community.

At a community and regional level, investments have been made in promoting regions; however, much of the promotion has focused on attracting tourists rather than residents. The resources and attractions that persuade tourists to visit a region for a short stay cannot be compared with those resources that would encourage an individual or a family to relocate to work and live in a community. The research findings emphasised that the key to attracting workers to a region is to provide

relevant information about the communities in which employees will live and work. The provision of accurate information about issues such as healthcare, education, policing and retail outlets is critical, and informants indicated that this was not available for potential residents.

Data gathered from new employees in the regions indicated an interest in information beyond that relating specifically to the role and the employer prior to making an employment decision. As one recently appointed school principal in the Gulf Savannah indicated, he had searched the internet for information about the town, and made enquiries with the local school, hotel and shop to try to get information, without success. As he was quick to point out, '*when you cannot find information or pictures, you tend to think the worst*'. The picture of many remote communities from the outside is often worse than the reality. While only one community in the Gulf Savannah region had a local doctor, people in the communities had very good access to health professionals. Both regions were serviced by the Royal Flying Doctor Service, and in the Gulf Savannah, the local regional health services flew in specialist doctors and provided services such as free dental care every five weeks.

Education is an important aspect for families when considering relocation and the Central Highlands was fortunate to be able to provide education at all levels (primary, secondary, vocational and tertiary). However, education in the Gulf Savannah region was problematic with secondary schooling available in only one community. To overcome this problem, parents in other communities and isolated farming properties are eligible for government subsidies to support children to attend boarding schools in large metropolitan centres. However, schooling was reported as one of the major issues creating retention problems, with one interviewee maintaining that '*not all parents want to send their children to boarding school*'.

Communities that were successfully attracting new employees were doing so by promoting their community from an employment and lifestyle perspective as opposed to a tourism perspective, and they were careful to manage the expectations of potential new employees. They had recognised that information about schools, shopping, medical services, religious facilities and sporting clubs was necessary to provide a realistic expectation of life in their community. In Karumba, the primary school had partnered with a large local employer to produce a DVD about the school and the community for families considering relocating to their

town. From the perspective of the local businesses and the newer residents who were recipients, this was a successful initiative.

Availability of housing within the community was also an issue in both regions. In the Central Highlands, there was a housing shortage with the rapid increase in coal mining in the region growing the population faster than houses could be supplied. The shortage of housing in the Central Highlands had pushed up house prices, where good quality homes could only be purchased by those high income earners usually working in the mines. To overcome the housing shortage, the mining companies had set up accommodation camps with transportable buildings to accommodate workers on either a fly in/fly out or drive in/drive out basis. In the Gulf Savannah, the shortage of builders was also a problem, with the only available builder not meeting the demand for building work.

Local communities and governments were attempting to address some of the issues related to feeling isolated, particularly in the Gulf Savannah region. For example, Croydon Shire Council had installed fibre-optic cable in the entire township so that all households had access to cable television and the internet. Similarly, the federal government has worked with telecommunications companies to increase the access to mobile telephony in remote areas, yet this access is rarely promoted as a readily available resource.

In contrast, the Central Highlands had local access to most services and goods and adequate access to a transport network with scheduled daily flights to the state capital and regular passenger bus and train services. This access could, however, be overstated by locals, with residents promoting that they were close to local beaches *('"only three hours" drive east')*, but this was not limited to the Central Highlands with residents of Mt Surprise also claiming close proximity to the coastal towns of Cairns and Townsville *('"just four hours" drive away')*.

6. DISCUSSION AND CONCLUSION

The findings of this research identify some critical challenges for rural and remote communities and organisations seeking to attract employees to their region. However, as the findings from these two case studies illustrate, the underlying reasons for labour shortages can be very different and as a consequence, the potential actions to address these challenges may also need to vary considerably.

In one region a resources boom had drawn labour from other industries, and had also driven up house prices and rents. This significant growth in one industry sector had impacted the ability of other employers within the

region to attract and retain workers. In the other region, the situation was significantly different, and the reasons for labour shortages were also different. A review of the initial demographics of the second region shows that it is sparsely populated, with a significant element of the population both on lower than state average wages and in the most socially disadvantaged quintile. The situation differs dramatically from the first region and therefore the potential solutions may also differ.

The aim of this research was to investigate the three categories of issues relating to rural and remote attraction and retention—namely personal/individual, community and organisational factors (Schoo *et al.*, 2005)—and overlay this with the three factors that influence an employee's decision to join, leave or remain with an organisation; outside, internal push or external pull factors (Carroll *et al.*, 2009). Whilst the factors offered by Carroll *et al.* (2009) were developed in an organisational context, it is possible to broaden the underlying concepts and consider the push and pull factors of attractiveness of rural and remote regions.

Our findings show that organisations are taking similar approaches to attract and retain workers in the rural and remote regions to those taken in urban centres; most employers offer higher salaries or wages, added benefits such as subsidised housing and flexible remuneration and working conditions. There were no incentives or benefits identified that were not available to at least some workers in urban centres. However the organisational level at which these benefits were made available to employees differed, and those benefits associated with senior roles in companies in urban centres, were being offered to lower level employees of the organisations. The use of fly in/fly out and drive in/drive out labour to address labour shortages is not unique to regional areas. Many urban based businesses have employees who live in one city and fly or drive weekly to another city to their job or at least to conduct a large part of their work. Even those businesses which could attract fly in/fly out and drive in/drive out skilled workers still had problems recruiting sufficient workers to meet their requirements. The lifestyle involved means they are separated from their families for weeks at a time and live in unattractive labour camps and often outside communities, with fewer services and amenities than they expect. The lure of high wages is insufficient to offset the downsides associated with the lifestyle.

What is becoming apparent is that organisations are reaching the limit of what they can offer to attract workers to the regions. Many industries

cannot offer higher wages and improved conditions. The escalation of benefits is not cost effective and in sectors such as government services, many organisations cannot compete on wages and benefits with the private sector to attract workers. As they approach the financial limits of their resources, some organisations are beginning to realise they need to address personal and community based issues to attract workers to rural and remote regions. Therefore these organisations in rural and remote regions have to compete in different ways.

The external pull factors (Carroll *et al*., 2009), referring to characteristics of other jobs that may entice workers in other regions, are factors over which the employer and the local community have limited control; there will always be other organisations and regions competing for labour. However, rural and remote communities need to consider the external pull factors they are promoting to entice workers away from other regions; in essence facilitating intra- and inter-regional migration (Stimson and Minnery, 1998).

The second element of Carroll *et al*.'s (2009) model (internal push factors), need careful consideration at the community level, particularly in terms of what might cause individuals and families to leave rural and remote communities prematurely. However, community and personal factors are not simple or absolute and are often relative to the experiences and expectations of individual workers and their families. This applies not only to those who are being recruited, but also to the experiences and expectations of communities trying to attract new workers. As Malecki (2004) points out, regions do not compete for workers on the basis of comparative advantage, rather they need to compete on absolute advantage. The findings reinforce that rural and remote communities need to understand that the ideal job in the best organisation will not recruit or retain an employee if they or their family are not happy in the community. There needs to be a reason for people to live in a community besides work, and they would benefit from having a more objective understanding of the attractive features of their community. The assertion by Miles *et al*. (2006) that lifestyle factors are important for attraction and retention of professionals in regional areas appears just as applicable to the wider workforce.

Organisations and the community in which they operate need to establish support structures for employees and their families. This could be aimed at enabling employees and their families to engage in community life through activities and social infrastructure such as school, sporting clubs or other lifestyle endeavours. This means ensuring the orientation of not just the employee, but also partners and families who

may influence the worker's decision to accept the job. These support structures become intangible assets and as Boschma (2004) concluded regional specific intangible assets such as these are embedded in the knowledge and competence base of individuals and organisations in the region. This study demonstrates that regions possess intangible assets that can play as crucial a role as more tangible assets such as infrastructure and amenities

Another key finding for communities, regional development bodies and policy makers is the need to emphasise the lifestyle issues of the regional community and provide access to realistic information about the facilities such as schools, medical care, childcare and even shops. . Any promotion or marketing according to Malecki (2004) needs to be aimed at specific groups such as employees and should include developing a positive image of working and living in a regional community, the facilities that are available, and broader community activities—not just providing information about the job and the employer, or relying on tourism information. This builds closer ties with employees whilst at the same time building stronger relationships with the local community.

Finally, it is emphasised that the objective is to attract and retain labour to achieve an outcome, not to simply find people to fill job vacancies. Identifying the opportunities to restructure jobs to suit a variety of employee needs increases the available pool of labour as seen in the case regions by the use of grey nomads or backpackers; in essence considering the use of 'working tourists' or 'travelling workers' (Uriely, 2001) or the use of overseas migrant workers.

This study enriches the current literature on attraction and retention, and contributes to theory by reinforcing the community level perspectives in response to Penz *et al.*'s (2008) call for more empirical research in the area. We argue that the competitiveness of rural and remote regions, in terms of economic and social sustainability relies upon their ability to attract and retain industries, residents and employees. This study also addresses Boschma's (2004) call for comparative case studies that examine the impact of the regional context on firm performance. In these case studies we have examined the performance of firms in recruiting and retaining employees in regional areas. Our analysis has contributed to a better understanding of the mechanisms and assets that contribute to the competitiveness of regions and emphasises the importance of intangible assets. The competitiveness of a region can be enhanced even in disadvantaged regions by developing intangible assets such as synergies

among local actors and mechanisms integrating new residents into the local relational network.

While this study is limited to two regions in Australia, the findings have the potential to apply to many settings where workers and their families move to significantly different social contexts. Our findings describe how skills shortages have impacted on industry and communities, which has led many regions to embark on various strategies to compete for an increasingly smaller pool of skilled workers. There is a need to discern the complexities of attraction and retention issues within local rural and remote settings; and the nature of organisations and people based in those communities. As de Hoyos and Green (2011, p.179) report "recruitment and retention issues cannot be studied in isolation; the supply side as well as the demographic, economic, and political context need to be considered as well. The impact of employers' labour demands on the economy of rural areas is complex, making it difficult to distinguish between causes and effects". Similarly, our research shows that there is no one right answer that can be applied to all regions.

We reinforce that the initiatives for addressing skills shortages must take into account the regional context and be capable of assessing and addressing the particular issues faced in each community. Underlying the findings is the message that attraction and retention in rural and remote regions is beyond the remit of a single stakeholder. Overwhelmingly, this research highlights that addressing labour shortages in a region cannot lie with employers alone, and a wide variety of stakeholders can play a critical role.

As with all forms of research, our study is not without limitations. The findings are confined to the specific context of the two case regions studied. While substantial efforts have been made to include representatives from businesses, local government and community organisations, the analysis is based upon subjective impressions of these informants. Clearly further research could investigate the conditions observed in other rural and remote settings, across regions not only in Australia but internationally. To enhance generalisation, research that is quantitative in nature with a larger sample population would be appropriate. These studies should incorporate individual, organisational and community issues over a longer time frame, and could potentially be longitudinal in design. Such studies could consider vulnerable populations, existing measures, policies, and structural barriers that affect such regions when competing for skilled labour. Only when this set of inter-related factors are addressed with stakeholder participation, can

communities and regions begin to identify their absolute advantage in competing to attract and retain skilled workers.

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