Skill shortages in regional Australia and novel marketing campaigns: a sign of the desperate times!

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**Abstract**

Organisations in regional and rural Australia face two interesting trends. While many regional organisations are reporting skill shortages; the broader yet gradually emerging demographic trends of lifestyle migration changes, commonly known as ‘sea-changers’ or ‘tree-changers’, continue to attract significant attention in the popular press. Despite the emerging demographic changes indicating a preference for relocation to regional areas, many regional locations still struggle to attract potential employees to meet skilled shortages. While it is widely acknowledged that the supply of a skilled labour force is critical to the development of a regional location, many regional locations struggle to attract enough skilled and experienced professionals to facilitate the maintenance and growth of a vibrant community. In an attempt to overcome this skills shortage some Australian regions are using novel marketing campaigns in an attempt to lure skilled workers to the region. This paper briefly synthesises the literature on the persistence of the skills shortage problem and provides a case study analysis of the strategies being used by the Albury-Wodonga Border Medical Recruitment Taskforce (BMRT) in their attempt to attract medical professionals. The research is significant from both an academic and practical perspective. Firstly, it will be the first research to address the use of marketing strategies in overcoming the regional skills shortages. Secondly, from a practical perspective it will improve the level of understanding of the use and success of such strategies for other regional employment groups facing similar challenges.
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). This conceptual paper provides a brief overview of the regional skill shortages literature before introducing the BMRT case study. Finally, the paper uses the case study analysis to apply a marketing perspective to the skill shortages challenge. The purpose of this paper is to examine the strategies used by one regional location in their attempts to overcome the persistent and worrying levels of skill shortages in the medical profession.

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 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

The first level of drivers of skill shortages includes the most immediate proximal causes including training, wastage, migration and workforce exits. In the medical profession workforce exits due to an aging workforce are of a particular concern (NSW Rural Doctors 2007). 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). In the case of medical professionals, most of these supply side root causes have been identified by way of anecdotal evidence as important factors impeding the internal migration of skilled medical professionals from one place to another (Klemm 2008a; Klemm 2008c).

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 medical 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).

In addition, the West Australian Standing Committee on Regional Development (SCORD 2004, p. 8) identified the dual problems associated with shortages of medical professionals for a region. First, there are fewer medical professionals in the regional community to provide adequate healthcare to those residents already living in the region. Second, professionals and other skilled workers are not interested in moving to regions that cannot provide the required medical care. While the depth and breadth of health care services required by a person considering relocation will vary depending on their age, life stage and family situation, Canterford (2006) acknowledges that availability of medical services is an important factor in the relocation decision of skilled workers.

**Method**

While the case study research method has been criticised for being less codified than quantitative research methods, case study research can be carried out rigorously, resulting in a high degree of validity and reliability (Adams, Day & Dougherty 1998; Alam 2002). Thus, a systematic process was followed using a single in-depth case study approach, a purposive sampling procedure and multiple data collection methods (Alam 2002; Eisenhardt 1989; Perry 1998; Yin 1994). The Border Medical Recruitment Taskforce (BMRT) case study proved to be a unique and revelatory unit of analysis and consistent with Yin (1994), a decision was made to employ a single in-depth case study that involved an interview with the BMRT Executive Assistant, Denise Klemm and extensive document analysis of internal and external BMRT communication and media reports.

In 2007 the Border Medical Recruitment Taskforce (BMRT) was formed in response to the growing concerns of the local medical fraternity about the impact of the regional skill shortage. While no formal research was available to support the concerns of the local medical profession substantial anecdotal evidence combined to prompt dramatic action. Anecdotal evidence was provided by two sources. First, various organisations including the public and private hospital sector and GP network were reporting difficulties in attracting medical professionals to the region to fill vacant positions. Second, the local community was reporting difficulties in accessing medical practitioners and this problem was receiving significant media exposure within the local community. In response to the growing pressure, then President of the Border Medical Association, Dr Scott Giltrap secured the
necessary funding from a variety of private and public organisational donors to form the Border Medical Recruitment Taskforce. Donations were in the form of cash and in-kind contributions. At the point of formation the BMRT had a budget of $870,000 to formulate strategies and build networks to recruit additional medical professionals to the region over a three year period.

**Case Study – The Border Medical Recruitment Taskforce**

The BMRT through the leadership of Chairman Dr Scott Giltrap and Executive Assistant Denise Klemm has performed a wide variety of roles since its inception in 2007 including a networking role to bring together stakeholders (e.g. regional hospitals, the GP network) to share information and where possible co-ordinate a uniform approach to the problem; organisation of private accommodation, socialization activities (e.g. dinners and Albury Gold Cup), transport (including vehicles) for visiting physicians; advocacy on behalf of regional medical professionals; development of promotional material (web site and publications); regional promotion at selected career events; and, ad hoc settlement services for medical professionals that relocate to the Albury-Wodonga region.

The networking responsibilities of BMRT extend beyond bringing together the most obvious and aforementioned stakeholders to forming networks of local businesses that are of critical importance to the relocation decisions of medical professionals, namely real estate agents. According to Klemm (2008a; 2008c) this is an important role as housing options, and the co-operation of the regional real estate industry, play a very important role in determining the willingness of the medical professional to relocate to the Albury-Wodonga region. Other important factors in the relocation decision include a supportive employer/manager, social integration, partner employment opportunities and schooling (Klemm 2008a; Klemm 2008b; Klemm 2008c). As a result the BMRT networks more widely with the business community to raise awareness and encourage understanding of the importance of a supportive and welcoming regional community in shaping the relocation decisions of these highly sought after medical professionals.

The members of the Taskforce also felt the lifestyle attractions of Albury-Wodonga (short commute time, opportunities to engage in wide variety of leisure pursuits, proximity to wineries) were a major attraction for experienced medical professionals. In an attempt to showcase the lifestyle attractions of the Albury-Wodonga region, the BMRT in April 2007 packaged and advertised an all expenses paid visit to the local region for medical professionals (and their families). The advertisement (see Figure 1) placed in The Age and Australian Newspapers offered medical
practitioners the opportunity to bring the family and experience the Albury-Wodonga region for a weekend and prompted a flurry of media attention in the print, radio and television media at a local and state level. Despite the significant media attention and awareness surrounding the promotion the response was disappointing. While significant numbers of overseas medical students and doctors offered to participate in the promotion, only three Australian based doctors made genuine enquiries about the all expenses paid familiarization tour. Despite those enquiries, no familiarizations resulted from the promotion. The BMRT attributed the disappointing response to factors such as the timing of the promotion (in the lead up to university exams) and more worryingly, the possibility that established medical practitioners are just simply not interested in relocating to Albury-Wodonga (Klemm 2008c).

Figure 2: Advertisement placed in The Age and The Australian newspapers in April 2007.

Source: Klemm 2008.
In response to the disappointing results from the promotion the BMRT made a resolution to refocus its attention on medical students, interns, medical registrars and overseas trained doctors (OTD) and formulated a suite of short, medium and long term strategies to attract the aforementioned group to the Albury-Wodonga region and retain their services in the long run.

Short term strategies include communication activities to raise awareness of the recruitment challenges facing the sector; facilitating on-going communication between the stakeholders from the regional medical profession and other regional businesses that form part of the solution (e.g. regional real estate agents and car dealers and the wider business community); providing practical support for the GP Registrar recruitment process; and, fostering the development of GP specialist training positions. Another developing strategy is the development of the BMRT website to provide important links to other relevant sites including regional real estate agents, local councils and medical bodies.

Medium to long – term strategies include developing a more targeted approach to persons that may be more willing to relocate including both GP and Hospital Registrars, interns and medical students. As previously mentioned the disappointing response to the promotion offering a free all expenses paid familiarization tour to the region highlighted the reticence of experienced medical professionals to relocate from their current location. Beyond planning for the ‘people’ side of the recruitment challenge, the BMRT is proposing infrastructure projects including an ambitious plan to develop a residential medical precinct to provide suitable accommodation for the targeted group and to enhance the socialization process once the new arrivals move to the region. The project to date has involved a feasibility study for a fifteen house residential development in East Albury and the identification of potential investors. The proposed location is a twenty minute walk to the Albury CBD, Albury Base Hospital and University of NSW Rural Clinical School.

Other long term projects include the lobbying and advocacy role of the BMRT in improving the regulatory issues facing medical professionals. Of particular importance are the registration and insurance requirements facing medical professionals that want to practice in both Albury (NSW) and Wodonga (VIC). The requirement to register with two separate State Bodies has caused significant challenges for many practitioners and acts as a disincentive for medical practitioners considering a move to the border region of Albury-Wodonga. The BMRT is also considering ways to support and lobby alongside the UNSW Clinical School to improve the School’s involvement with the recruitment of medical students to the region. According to Denise Klemm (2008c), both
the BMRT and UNSW Clinical School would prefer to see an increased focus on recruiting medical students that have a known link with a regional location as they have proven to be more likely to return or stay in the region at the completion of their studies than their city based counterparts that tend to return to live in the city. Furthermore the BMRT, in co-operation with representatives from taskforce member the Border Medical Association, has plans to lobby the relevant training institutions and Medical Colleges to appoint medical registrar trainees to the Albury-Wodonga region that have an interest in returning to a regional location. The BMRT reports anecdotal evidence that some surgical registrars choose Albury-Wodonga for their training because of the enhanced access to the specialist and surgical experience that improves their employability in the metropolitan hospitals. According to Klemm (2008c), “while we welcome all registrars to the region we would prefer to see registrars that have a genuine interest in returning to the region benefitting from our superior surgical training opportunities”.

While quantitative data on the exact recruitment figures for the Albury Wodonga region are difficult to co-ordinate due to the various organisations involved with the recruiting process, anecdotal evidence does suggest that the new co-ordinated approach driven by the BMRT has lead to positive gains. According to the February 2008 BMRT Newsletter, the number of GP doctors practicing in the region had grown significantly, reflected by the fact that at the beginning of 2007 only three practices were accepting new patients and by the end of 2007 only three were not. In addition, the two public hospitals were reporting encouraging results in relation to the recruitment of specialists and consultants. While the management of the BMRT does not take responsibility for all of the individual recruitment ‘wins’ it does believe the Taskforce has provided an important boundary spanning role in co-ordinating the region’s medical workforce planning and recruitment strategy for the mutual benefit of stakeholders from the medical profession and the wider community. The current and future challenges facing the BMRT include developing strategies to position Albury-Wodonga as the “region of choice” for medical practitioners contemplating their working and living options and securing funding to keep the BMRT active and effective (Klemm 2008c).

**Discussion and recommendations**

The preceding case study outlining the work of the BMRT represents an innovative and co-ordinated approach to the challenges of the medical skills shortage in the wider Albury-Wodonga region. Interestingly, it is perhaps the least successful component of the group’s work (the free familiarization tour) that has gained the most publicity and exposure but it is the more ‘invisible’ and strategic work that takes place out of the public eye that may prove in the long run to be the
most valuable contribution of the taskforce. The case study reveals the important role novel marketing promotions can play in raising awareness of the issue and the necessity for deeper and more substantial programs to facilitate long term solutions to the skills crisis.

The BMRT hasn’t been the only regional medical collective to engage in what could be described as a marketing promotion to attract skilled professionals to a regional location. In June 2007 the Temora Rural and Remote Health and Medical Infrastructure (RHMI) Trust, which manages the town’s surgery, offered a $500,000 package to attract a medical professional with obstetrics and anesthetics skills. Temora is a small regional town in NSW boasting a population of 4,600. Its located in the heart of the western NSW grain growing area, about fifty minutes drive north of Wagga Wagga, a two hour drive to Canberra and four hour drive to Sydney. Despite the promotion receiving national (e.g. Doherty & Weaver 2007, Cresswell 2007, Miller 2007) and international (e.g. Adams 2007) media exposure only six suitable applicants made enquiries. A doctor finally took up the position but declined the generous incentive package due to personal financial planning and professional reasons. Unfortunately, the doctor that took up the position in Temora was merely relocating the problem of the regional skills shortages from one region to another. Dr Kurtzer had been Cleve’s only GP for seven years. The small town in South Australia with a population of 800 people was left without a GP after Dr Kurtzer’s departure (Doherty & Weaver 2007). Other regions within Australia are also experiencing shortages of medical professionals and are engaging in various promotions. In another region along the Murray River, the town of Cobram offered a $2,500 incentive to anyone introducing a medical practitioner to the town (Jobserve 2006).

The Temora, Cobram and Albury–Wodonga experiences suggest that the pursuit of attracting medical practitioners to a regional location region is essentially a marketing exercise. Given that medical professionals are in demand across the country they have the power to pick and choose the location that best meets their needs. In the same way that a customer selects a product or service that best meets their needs, medical practitioners will weigh up a variety of complex factors before selecting a region to make their place of home and work. As outlined in an earlier section of this paper, the factors will range from secondary job opportunities, career development, work conditions, perceptions, life cycle stage, education and training, place identity and social networks, infrastructure, housing and health provision.

In the case of the BMRT, taskforce members were acutely aware of those factors and were actively working to change perceptions of potential doctors and address the secondary job opportunities,
career development, social networks and housing and infrastructure issues that they felt were key drivers in encouraging medical practitioners to the Albury-Wodonga region. In terms of addressing the work conditions driver, the advocacy and lobbying activities by the BMRT performs an important role as the regulatory issues facing doctors wanting to work in a cross border setting like Albury-Wodonga can be particularly challenging and can detract from the working conditions enjoyed by practitioners. In another attempt to improve the work conditions, the BMRT played an important role in raising awareness to regional employers of the importance new employees placed in their relationship with their manager. The important role job satisfaction plays in mobility decisions is highlighted in da Silva and Grigg (2008). Due to the concerns (and perceptions) that medical practitioners in a regional location work significantly longer hours than their city based counterparts, the establishment of the ‘GP After Hours Clinic’ by a group of local GPs may also provide a valuable contribution to the actual and perceived work conditions for medical practitioners in the region. In many ways the work of the BMRT includes a mix of a variety of marketing tools. The all expenses paid familiarization tour fulfilled the role of a sales promotion as it raised awareness and attracted substantial media exposure despite the disappointing results. However, like all effective marketing programs it also includes components such as target marketing and relationship marketing (Kotler & Keller 2006) to ensure the novel marketing promotion of the free weekend is supplemented by on-going strategies of substance.

Anecdotal evidence including the response to the free familiarization tour suggests that life stage considerations, as suggested in the literature, are indeed important determinants in the relocation willingness of medical professionals. In other words, doctors that are already in established careers with partners and/or children that are also tied to their current location are difficult to motivate to move. This is understandable given that this scenario presents a complex web of decisions based around the partner’s own career aspirations and opportunities and their children’s educational and or career requirements. In addition, the strong bonds the medical professional already has with his/her own community on both a social and professional level can represent a powerful factor in deciding against relocation. In response to these considerations the BMRT has wisely re configured its target market to focus on potential migrates that are more likely to relocate including interns, medical students, registrars and overseas trained doctors (henceforth referred to as the target market). In many cases the target market are at the life cycle and career stage where a move to a regional location is less burdensome and may indeed be highly desirable if the location meets their personal lifestyle and career aspirations.
The relationship marketing literature highlights the critical role social bonds play in shaping behavior. Applying a relationship marketing lens to the BMRT, strategies to strengthen the social bonds of the target market by way of entertainment and networking opportunities is also very important. Other activities including the sponsorship (by way of scholarships) of local students from the Albury-Wodonga region studying medicine in metropolitan locations is another positive step to build links with the potential target market. Substantial research and anecdotal evidence suggests that practitioners that have had some exposure to a regional setting whether they grew up in or did their training in a regional location, are far more likely to choose to live and practice medicine in a regional location (Worley, Prideaux, Strasser, Silagy & Magarey 2000). For that reason it is vital that regional communities develop strategies to build relationships with their target market and then develop and nurture those relationships by way of ongoing communication and events that meet the target markets needs. To this end an Albury-Wodonga Alumni project could fulfill this role to attract former local residents with medical qualifications and past medical students, interns and registrars back to the region at some time in the future.

Another important challenge for collective groups like the BMRT is to research the perceptions held by the target market to understand how their location is perceived. Applying the concept of buyer behavior it is obvious that medical practitioners, like customers choosing between different products, will be influenced by a range of factors including their pre-conceived ideas of what living in a regional location involves. This presents a challenge to promote the location as a desirable place to live by promoting the benefits of regional living (shorter commuting times, lower housing and lower living costs, lifestyle benefits) while using text and imagery in all communications to reassure the ‘audience’ that locations like Albury-Wodonga are in fact vibrant, modern regional cities that do have the desired infrastructure, housing and cultural opportunities to meet the needs of many medical professionals. The content analysis of the BMRTs documents and presentations to stakeholders indicates a clear awareness of this challenge (e.g. Giltrap 2008). To this end, all marketing and promotional collateral (e.g. publications, websites, brochures) should be designed in a way to shape the perceptions of the audience in an attractive way that is a genuine reflection of what the regional location has to offer.
Conclusion

The challenge of recruiting skilled and experienced professionals is a genuine issue facing many regional locations across a range of occupation types. While demographic changes explain the causation of the regional skills crisis, it is the complex web of drivers of relocation decisions that pose the greatest challenge for regional communities. It must also be acknowledged that while this paper has focused on the plight of just one regional location (Albury-Wodonga), these issues are conceivably magnified for smaller and more remote regional locations that do not have the comparative advantages of Albury-Wodonga (a vibrant and attractive cityscape, cultural opportunities, good infrastructure etc). The BMRT case study does however provide an example of what can be achieved when a collection of concerned people and organisations come together to develop and implement strategies to deal with the regional skill shortages challenge. This paper also highlights the requirement for further research to examine the perceptions of potential regional migrators and the effectiveness of regional programs like the BMRT in addressing the regional skill challenges facing their own regions. While the case study focused on the medical profession in Albury-Wodonga it does have the potential to be applied across a range of industry sectors and regional locations. Most critically, the paper highlights the importance of a well rounded and co-ordinated approach to the regional skills shortages. While novel promotions may capture the attention of the nation’s media and their respective audiences, they do not provide stand alone solutions to what is a very complex and critical problem stifling regional development and growth across Australia.
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