

HR Quarterly Index Dashboard Report

April 2010

EXECUTIVE SUMMARY

The HR Quarterly Index provides a summary of employment confidence in the business sector.

The Institute has identified that in anticipation of an economic rebound, businesses are moving into preparation mode.

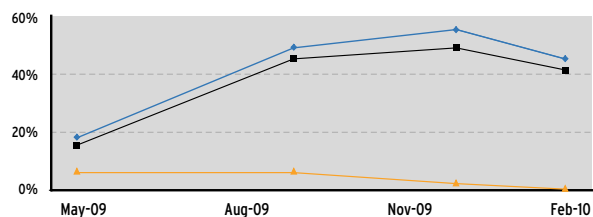
The top 3 critical issues facing business have remained the same over the past year until this quarter - Lack of Work or Sales, Cash Flow and the Economic Climate have continues to concern business owners. Interestingly, Finding and Keeping Staff has entered into the top three issues for the first time in 18 months.

January saw a large swing of optimism for 2010. The broad optimistic outlook remains; however, there has been a slight correction in the past three months. The downward shift in expectation of sales, profitability and wages growth indicates a reality check being taken by the business sector. This could possibly be in line with the shift in the retail and manufacturing sectors post stimulus package.

2010 may be the time to reevaluate the positioning of people in relation to business strategy. The latest internal benchmarking results by the HR Coach Research Institute identified that 46% of businesses are dissatisfied with their employee's accountability and contribution to the financial results.

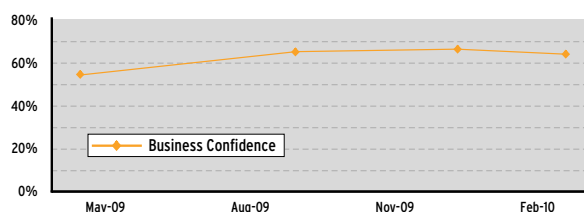
If business growth projections are correct and Australia enjoys conservative growth, businesses will need to focus on profitability and alignment of people to strategy to maintain and improve productivity.

Business Expectations for Growth



	May-09	Sep-09	Dec-09	Feb-10
Expect Increase in Value of Sales	18%	51%	57%	46%
Expect Increase in Profitability	16%	46%	51%	42%
Expect Increase in Capital Expenditure	7%	7%	3%	0%

Business Confidence



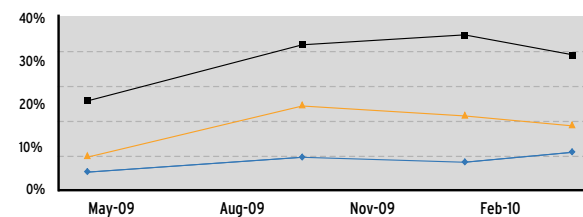
Current State of the Employment Market

(as at March 2010)

Participation Rate	65.2%
Unemployment Rate	5.3%
IMF Unemployment Forecast 2010	7.8%
OECD Unemployment Forecast 2010	7.9%
Employment by person	10,970,700
Unemployment by person	605,200
Labour force underutilisation rate	13%

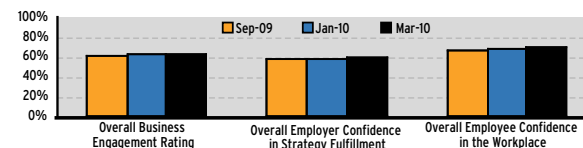
Key Sources:
 HR Coach Research Institute, National STAR Report Mar 10, Sensis® Business Index Mar 10, IMF World Economic Outlook 09 Australian Financial Review, ABS - 6202.0 - Labour Force Australia, Dec 2009

Business Expectations for Staff



	May-09	Sep-09	Dec-09	Feb-10
Ability to Find and Keep Staff	4%	7%	6%	9%
Expect Increase in Wages Bill	21%	34%	36%	32%
Expect Increase in Size of Workforce	7%	19%	17%	15%

Internal Business Confidence



Consolidated Results Table

Productivity Growth Factors	May-09	Sep-09	Dec-09	Feb-10	Qtr Var
Lack of Business Confidence	24%	15%	15%	15%	0%
Business Confidence	54%	65%	67%	64%	+3%
Concerns - Ability to Find and Keep Staff	4%	7%	6%	9%	3%
Expect Increase in Wages Bill	21%	34%	36%	32%	-4%
Expect Increase in Size of Workforce	7%	19%	17%	15%	-2%
Expect Increase in Value of Sales	18%	51%	57%	46%	-11%
Expect Increase in Profitability	16%	46%	51%	42%	-9%
Expect Increase in Capital Expenditure	7%	7%	3%	0%	-3%

Internal Pressure on Financial Results

Surveying over 240 workplaces, over 46% of businesses are not satisfied with their employees accountability to financial results and profit projections. This includes accountability, decision making within roles, budgeted revenue and expense control, KPIs and usage of resources.