

INTERVIEW BETWEEN **IQPC** and **MICHAEL MINNS** (PRINCIPAL OF MICHAEL MINNS HUMAN RESOURCES) FOR THE AUSTRALIAN MINING MAGAZINE:  
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**IQPC:** Michael, thank you for the interview, I understand that you are conducting a workshop at the upcoming IPQC conference on Employer Branding. What is Employer branding and how does it apply to the Mining Industry?

**Michael Minns:** Employer branding, put simply, is the very reason why someone wants to work for you. It is why they chose your company over others. In these times of skills shortages and the natural rate of unemployment where anybody who wants a job has one it is a very important part of a company's HR strategy.

**IQPC:** Is it a new concept?

**Michael Minns:** The term is new but the concept is not. Employer Branding refers to a company's reputation, its policies, practices, how they treat their people and how it delivers its promise to its customers. It is not a new concept rather it is a new framework of thinking. To illustrate that point, the work my company did at Camberwell Coal with Rick Gazzard, nearly 20 years ago, was all about becoming an employer of choice. We designed a culture where people's efforts were appreciated and rewarded, where trust and honesty were second nature and an individual's dignity was paramount.

The project was a great success and it soon become the safest and most productive open cut coal mine in the Hunter Valley in terms of tones of clean coal per employer and Lost Time Injuries. Many of the other mines attempted to copy the system but they failed as they couldn't get the people aspects right.

As consultants one of the interesting metrics was the decreasing number of employees that didn't need an alarm clock to wake them up in the morning to go to work. The place of work had become a great place to be and the employees were our best recruiters, they were the custodians of the Employer Brand.

**IQPC:** What is the difference between Employer Branding and Corporate Branding?

**Michael Minns:** A Corporate Brand is the visible promotion of your organisation. It's about letterhead and business card design, recruitment advertising template, logos, and advertising billboards; it's the external graphical representation of your company. On the other hand Employer Branding is about what is in the hearts and minds of your current, past and future employees. Employer Brands are built from the inside and if it can not survive there it won't survive on the outside.

**IQPC:** Can you give an example of Employer Branding on a brownfield site?

**Michael Minns:** I worked at Lihir (Gold Mine in Papua New Guinea) with Joe Clayton who was the Manager of the contract miners They were having a terrible time, accidents, absenteeism, no shows, difficult recruitment, a cultural divide, poor relationships all round and to top it all off a strike. They had a huge Employer Brand problem.

With a great deal of effort we were able to improve the culture and enjoy the flow on benefits of improved productivity in an accident free environment. We repaired the broken relationships, we sent home expatriate staff that were unable to make the change and we made Pigin language lessons compulsory for all and voluntary for wives and children.

Joe would say good morning to his staff each morning in 9 different languages.

The success of this assignment was measured in a number of ways and the ones I like are

1. The productivity improved so much that the client couldn't handle any more dirt so every second Friday was a training day for all.

2 At a communication workshop where the client outlined their performance expectations of the mine workers the Mine Manager said "...that he was the last Mine Manager at Bougainville Copper and that if he had done on Bougainville what we did on Lihir then there would not have been a war on Bougainville.

**IQPC:** What a powerful example developing a positive Employer Brand under difficult circumstances. Are they all a difficult as that?

**Michael Minns:** Each project is different and requires a different approach but there are a few basic questions and principles that should be applied and these are in the content of the workshop I will be facilitating at IQPC's Innovative Strategies to **Attract, Skill and Engage the Mining Sector** conference.

- How do you learn about your Employer Brand?
- Do you wish to change it?
- What are the anticipated benefits?

While these questions go to the heart of the matter some firms don't want to know about it. Others, particularly the larger companies, suffer from what we call in trade "The not invented here syndrome", that is; that they are so big and powerful that if we haven't heard of it or are not using it probably does exist.

**IQPC:** Michael, thank you for your time and your insights to a fascinating HR issue. One last question; What are the future challenges for HR in the mining industry?

**Michael Minns:** The nature of work has changed dramatically. Gen Y worker represent about 30% of the workforce ,baby boomers are retiring ,there is no company loyalty, there is a China induced minerals boom, we are at our natural rate of unemployment and companies are suffering from an ailment called short-termism.

They all say that their employees are their greatest asset however they treat them as an expense. These are the current issues that HR professionals should be dealing with on a day to day basis.

However, these issues are insignificant to the dark cloud sitting on the HR horizon.

Australia and the rest of the world are experiencing an unprecedented number of mergers and acquisitions and the Australian Mining industry is not immune from this activity. In fact there are a number on foot as we speak.

Gordon Samuel and the ACCC vetted 390 mergers last year up 118 or 43% on the previous year. It is expected that this activity will increase. What is the concern is that based on the research coming out of the Americas and Europe is the failure rate of M&A's. One research paper by a reputable firm suggest that 60 to 80% are financial failures and that 45% of the acquired staff leave in the first 12 month and 80% leave within 2 years. Good asset management? If you knew that the bus that you caught to work this morning had an 80% chance of not reaching its destination you would not catch it.

The reason for high failure rate is because there has been an absence of Post Merger Cultural Integration management of the people.

Boards and Senior Managers are content to take the advice of Merchant Banks and other M&A advisors, they address the acquired staff with words like "we are buying two assets, the physical and the people" but they will not put the effort into the Post Merger Cultural Integration issues.

However there is good news, there is a process and we do have a couple of successful big mergers to our credit and who knows it might be a good platform for another seminar.

Let me warn you it will be huge problem in the years to come because a company's success begins and ends with its people

Michael Minns will be facilitating a workshop on How to Build a Strong Employer Brand to Assist in Candidate Attraction at IQPC's upcoming **Attract, Skill and Engage the Mining Sector** conference. The conference will be on the 6 – 8 May at the Mercure Hotel Brisbane. For more information on the conference, and to see who else will be presenting, please visit our website on [www.iqpc.com/au/miningskills](http://www.iqpc.com/au/miningskills) or call 02 9229 1080.