

2010 Business Trends to Track and Challenges to Chuck **Author: Philip Leitch, GMA National President**

SUMMARY

While most developed countries scramble to rise up from the economic ruins, Australia stands firmly grounded, poised to hit the road to economic recovery. This article compiles some of these emerging trends.

Talent Shortage and the Aging Workforce. Despite the minimal effect of the GFC to Australia's employment rate relative to other countries, managers still have much to contemplate about their workforce. The male workforce population aged 55 and up will grow by 10%, while its female counterpart will grow by 19%.

Businesses have to identify whether these aging numbers occupy critical positions in the organization. This ensures that businesses catering to the senior citizens market, such as health and wellness centres, travel and cruises, cosmetics and cosmetic procedures, do not sag and wrinkle like aging skin.

Innovation and Small Businesses. oDesk's growth continues its trend of almost exponential growth.

Emergence of Social Media. GFC or not, the importance of social media in businesses and marketing cannot be ignored. In 2009, Twitter snowballed by over 600 percent, Facebook by 210 percent and LinkedIn by 85 percent.

ARTICLE

Technically dodging recession, Australia comes out relatively unscathed from the rubbles left behind by the global financial crisis. While most developed countries scramble to rise up from the economic ruins, Australia stands firmly grounded, poised to hit the road to economic recovery. Equipped with the lessons the GFC has taught the world, it is now time for organisations to trace trends and face challenges which can be transformed into something businesses can capitalise on. This article compiles some of these trends pointed out by trend watchers.

Talent Shortage and the Aging Workforce. Despite the minimal effect of the GFC to Australia's employment rate relative to other countries, managers still have much to contemplate about their workforce. In 2008, [Mercer's Workplace 2012](#) predicted that by 2012 the number of workers aged 55 and up will grow from 1.7 million to 2 million, growing at a rate of 14%, while the number of workers aged 54 and below will only grow at a rate of 5%. The male workforce population aged 55 and up will grow by 10%, while its female counterpart will grow by 19%.

Interrupted by the GFC, human resource managers are again faced with the implications of these numbers that foreshadow a potential shortage in talents and key skills and the loss of experience. Businesses have to identify whether these aging numbers occupy critical positions in the organization. This calls for proper talent management, transfer of knowledge, retraining and succession planning.

Where there is a problem there lies an opportunity. So the window of opportunity opens to businesses that specialise in training, education, job recruitment, human resource development, life coaching, and the like, that are needed for the labour market to acquire new skills to be able to meld in the shifting labour setting.

Additionally, this particular change in demographics did not just open a window. It keeps the business door wide open for marketers to pander to the needs of the grey market which holds substantial purchasing power versus other age groups. This ensures that businesses catering to the senior citizens market, such as health and wellness centres, travel and cruises, cosmetics and cosmetic procedures, do not sag and wrinkle like aging skin. It is safe to forecast that the business trends in this area will continue to leap like a hyperactive juvenile.

It is also worth noting that more aging females are emerging than the males, hence, putting forward a niche that can patronize such businesses as beauty salons, women's healthcare, cosmetics, home decors, among others.

Migration. Another market trend to watch out for is the influx of immigrants from different countries including expatriates from the United Arab Emirates. As Dubai slows down, expatriates based there look to other countries including Australia as places to migrate.

(<http://www.thenational.ae/apps/pbcs.dll/article?AID=/20100123/BUSINESS/701239928/1005>). Further, [AustralianPolicyOnline](#) reports that over 93 percent of those permanently leaving New Zealand are headed

for Australia. This could be the answer to the country's concern on talent shortage, at the same time a threat to Australian workers whose skills have become obsolete.

Innovation and Small Businesses. With displaced labour force due to downsizing and antiquated skills, entrepreneurial spirit is seen to soar. This may be the best time to identify opportunities that the GFC has spawned. [This trend was spotted amidst the economic turmoil in the US](#), and may be emulated locally. Innovation will be fuelled especially with the launch of the new [Commercialisation Australia grants program](#).

Outsourcing and Virtualization of Workplaces. Although software projects in many organisations have been cancelled or put on hold in the wake of the GFC, the proclivity to advancing the virtualisation of work places is inexorable. This is demonstrated by the proliferation of virtual assistants, online work from home jobs and virtual job markets such as oDesk. oDesk's growth continues its trend of almost exponential growth. (http://www.odesk.com/community/economy/odesk_growth) Numerous Australian organisations are tapping these virtual workers who could be anywhere in the world.

Emergence of Social Media. GFC or not, the importance of social media in businesses and marketing cannot be ignored. Twitter, Facebook and LinkedIn pooled 2.5 billion visits. In 2009, Twitter snowballed by over 600 percent, Facebook by 210 percent and LinkedIn by 85 percent. It is said that if Facebook were a country, it would rank as the fourth largest. LinkedIn, a social networking site for businesses professionals, is gaining momentum in Australia and is used by many to find clients and hire professionals. (<http://blogs.wsj.com/laidoff/2010/01/20/guest-blog-an-expats-view-of-the-search/>) Social media is a relatively new marketing tool that espouses the 4C's of Content, Context, Connection and Community. It renders the traditional 4P's of marketing inadequate and redefines certain rules. <http://www.ducttapemarketing.com/>

Standing on a better economic footing than those in most developed countries, Australian businesses can easily leap like a kangaroo if impediments are appropriately resolved and these trends and opportunities are correctly identified and acted upon.