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MEDIA RELEASE

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Slash Burnout to Avoid Talent Walk-Out

- South Australia records second highest levels of burnout in Australia
- 34% of SA managers report increasing levels of burnout in the workplace
- 35% of these managers are reporting loss of productivity as key impact of burnout
- Improvement in role clarity cited as key to reinvigorating workers

16 February 2005 – Employee burnout is generating serious implications for South Australian organisations, according to research from global recruitment and human resource consulting firm Hudson, released today. The latest national Hudson Report survey of more than 7,800 employers nationally found that an alarming one in three managers in South Australia (34%) is witnessing a growing amount of burnout among their employees. This compares to the national average of 32%.

Of the SA managers who reported increased levels of burnout, more than one-third (35%) said that a direct outcome was declining levels of productivity in the organisation.

According to the Hudson Report, workplace burnout will erode the bottom line of businesses. The Report also found that of those SA employers experiencing increased levels of burnout, 33% reported an increase in the number of sick days being taken, and 32% experienced a rise in the number of valuable employees leaving the organisation.

Phil Morton, SA General Manager for Hudson, said, “Given that employment optimism for South Australia is at its highest level in seven years, this is an issue which will have to be monitored closely by employers. As companies push their employees to work harder and faster to cope with increased demand, employers will need to make sure there is adequate support systems and infrastructure in place so that employees don’t get sick through burnout or just leave for a career change.

% of Employers seeing increased levels of burnout among employees (by State)

ACT	43%
SA	34%
VIC	34%
NSW	31%
WA	31%
QLD	30%

“One of the industry sectors in SA at most risk of burnout is the IT

sector which recently reported very strong growth forecasts over the coming quarter in January-March 2005¹.

National Overview

Nationally, The Hudson Report findings show that an alarming one in three managers (32%) have witnessed a growing amount of burnout among their employees.

Of the managers who reported increased levels of burnout, more than one-third (37%) said that a direct outcome was a rise in the number of valuable employees leaving the organisation.

According to the Hudson Report, workplace burnout will erode the bottom line of Australian businesses, with 34% of those employers experiencing increased levels of burnout witnessing a decline in productivity and 29% reporting an increase in the number of sick days being taken.

The Report findings show the issue of burnout is prevalent across organisations of all sizes and all industries in Australia, with the Government sector and fast-moving Telecommunications industry being the hardest hit.

Matthew Dale, Hudson's National Practice Manager for Talent Management said, "Given that employers' top HR priority for 2005 is staff retention and development², these findings sound a clear warning to employers who are battling to hold on to their best performers in an environment of record low unemployment levels.

"Growing numbers of workers feeling physically and emotionally exhausted leads to poor customer and client service, a sense of low morale and reduced job satisfaction," Dale added.

"It is concerning that Australian management does not appear to be grasping the simple concepts of increasing productivity and holding onto top talent at the same time. Given the snowball effect of burnout, this is an issue which must be tabled at the most senior levels of Australian organisations," said Dale.

A Burning Issue

What Australian Organisations Should be Doing to Reinvigorate Staff

- Ensure a robust assessment methodology is used to place the right people in the right role
- Make sure that employees are clear about their roles
- Ensure that there are sufficient resources to deliver to stakeholder demands and business requirements
- Involve people in the redesign of their roles
- Educate about burnout and what can be done about it
- Provide support to those affected
- Model work-life balance

What Can the Individual do?

- Talk to his/her manager and human resource department
- Focus on solutions and look to be involved

¹ Recent findings from the Hudson Report have shown that a net +53.3% of employers in the IT industry in South Australia indicated that they intend to increase their permanent employment levels over the coming quarter. Visit www.hudson.com for the full report.

² Recent findings from the Hudson Report have shown that employers' top HR priority for 2005 is "staff development and retention". Visit www.hudson.com for the full report.

- Make sure that he/she is working towards a balance in lifestyle; diet, exercise, hobbies and interests outside of work
- Seek support outside of work if need be

Recommendations provided by Hudson

The Report recommends that the most effective way of dealing with burnout and work-related strain is to adopt a simple framework, based loosely on many health-related policies. It also strongly recommends a framework that incorporates redesigning roles and systems in which people work in order to reduce overload and increase the clarity with which employees view their roles.

The Report goes on to highlight the critical importance of incorporating competencies as well as hard performance metrics into the job analysis process. As a consequence, employees are clear about what they need to deliver as well as how to go about it.

Dale stresses the importance of organisations taking responsibility for addressing employee burnout. “For an organisation to leave the employees to deal with burnout problems by themselves is like telling patients to diagnose and treat themselves,” said Dale. “Given the right help, individuals can manage the issue through seeking to understand what they are experiencing, drawing on appropriate support networks and being involved in designing a more effective and sustainable role for themselves,” Dale added.

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The Hudson Report:

Based on nationwide research, The Hudson Report uncovers and analyses the hiring expectations of Australian employers over the coming quarter, and provides insights into a range of topical human resource issues impacting business.

Results from the Q1 2005 Hudson Report were gathered through 7,881 surveys conducted by Hudson recruitment and consulting professionals. The Employment Expectations component of the Hudson Report was previously known as the Job Index Survey. Copies of The Hudson Report are available at www.hudson.com

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seasonality and the other risks discussed in our Form 10-K and our other filings made with the Securities and Exchange Commission, which discussions are incorporated in this release by reference.