

# NSW DET Conference: Workplace Learning and the Role of VET

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### Structuring Workplace Learning Partnerships in an Intervention-free Environment

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**NSW Department of Education and Training**

Thank you everybody for coming today, very nice to see everybody. People who know me can probably predict that I'm going to talk about skill ecosystem because that's what I always talk about, but Kim and I today also want to link what we're going to say about the skill ecosystem approach to some of the themes of the conference and particularly to the whole issue of industry partnership work. One thing that often happens when we go around talking about skill ecosystem is that people think 'oh yes, they're talking about industry partnerships' and we spend quite a lot of time saying well, sort of - skill ecosystem is a bit different, it's one type of collaborative framework for working with industry.

I guess one of the things that struck us was the level of confusion and some of the ambiguity in the literature on industry VET partnerships.

I think most of you probably know that industry VET partnerships are in policy terms often presented as a solution to a thousand ills. There are countless reports. NCVET itself has I think produced six reports in recent years on industry/VET partnerships, but the focus tends often to be on the process of *doing partnership work* and one of the things that frustrates us a bit is that there doesn't seem to be much work done or interest in talking about the content of the partnerships themselves. I think that's often reflected in the definitions you get of what an industry/VET partnership is.

This for example (referring to slide), is a definition of industry partnership on the DET website and it's typical of most definitions of industry partnership which say that you bring people together and you establish trust relationships etc. etc, but don't say much about the content of the work. I think some of the literature and research has been somewhat unhelpful and comes up with fairly trivial findings such as the conclusions on the next slide which is that partnership work involves trust relationships, shared goals etc.

I think the reason that we're often faced with this processed-oriented and fairly kind of unexceptional findings to these studies is because there isn't much engagement with the content of that sort of work. Its as if the content is a kind of secondary, an after thought, and something that can be left to the workplace level.

Whereas I guess what we found in thinking about skill ecosystems is that the content is absolutely crucial because the content is where all the issues that Helen spoke about this morning come together. I mean, the workplace contextual factors, the institutional factors in labour markets, the different interests that exist in the workplace, when you're talking about content that's where all those factors come into play and that is where the challenges of partnership work really start to unfold.

I was just going to reiterate the point but I think it has been very well made today already - that the starting point for skill ecosystem is the understanding that skills on their own aren't enough. The approach is based on rejecting these kind of statements (next slide) - I mean clearly they're political, they're rhetorical statements but the idea that really we just have to boost the skills in Australian workforce and that will lead us to a new more productive high performance economy is over simplistic.

What we have done in skill ecosystem is try to move from there to a framework for practice. If everyone agrees on that, how then do you engage industry and with skill ecosystem? we are trying to engage at an industry sector level, not just at an enterprise level with all these other factors.

I'm just going to take you through our current thinking on the skill ecosystem framework. I think most of you who read the newsletter will know that it's an evolving framework, and this practice itself is evolving and we really appreciate and thank all the industry associations and RTOs and company partners – some of whom are here today – who've been with us on that journey because it is a difficult journey and we've learnt a lot through the process so far and hope to continue with it.

I'm going to outline where our thinking is up to now with the skill ecosystem framework and then Kim is going to speak about as a consultant on our work, what she sees as some of the key challenges and issues.

In skill ecosystems projects, companies and industry associations who are usually the lead organisation, or skills councils and so on, come to us. We're not trying to force this on people, so I think it's important to make that point, we're working with groups who *want* to work in this way and that has a lot of benefits from the outset.

What we do is get them to define their kind of skill and workforce challenges, but then go through a process of analysing the different aspects that affect that complex set of situations that they're experiencing in the industry. This is the kind of structure of what we take them through (next slide) and I'll just give you some examples of strategies that some networks have developed in relation to each of these areas.

The key point regarding product specifications and business strategy is the one that people have made many times today. Namely, that what companies in an industry are prepared to or would like to do about skill and workplace issues depends on where that industry is going, how it defines its markets, and what its prepared to share in terms of its growth or expansion or restructuring plans.

In NSW at the moment, we're working with the finance industry and we're looking at back office operations of global banks so we're saying okay, there's a workforce demand there from some of the global workplace banks moving to Sydney what are you prepared to do in terms of making a commitment about your investment strategies in the future in Sydney and working with the Department of State and Regional Development on that.

Business performance is the second area and an example here is the defence support industry in the Northern Territory where we ran a project which was looking at the SME sector and considering how can they get a bigger share of the defence support work going on up there? Meeting quality standards and upgrading their business processes so that they could tender jointly was a key challenge, limiting their access to contracts and sub-contracts. We were saying there's no point of just training more skilled workers - how are you going to get access to this work as a group so there was a strategy that they identified around lifting their game jointly cooperatively as an SME sector.

Work organisation and job design - that's a pretty obvious area. Its come up a lot today but it's something I guess it's one of the areas where the divergent interests of employees and employers really can come to the fore and has to be negotiated carefully. A very good example of that skill ecosystem, a project focusing on that aspect is the aged care project in Queensland which looked at changing role boundaries between so-called low skilled workers and allied health professionals in order to reshape opportunities for low skilled workers but also to address the skills shortage in the allied health group.

Employee relations – well - I suppose everyone is sick of me talking about the racing industry project! but its a good example. Casual workers, day hire workers are a critical group, a huge part of the Australian labour market/labour force and in employment status in the racing industry is a big issue for effecting the ability of that industry to recruit and retain track work riders so that was what that project tried to tackle.

Workforce capacity and planning - parts of the dairy manufacturing industry which is a very centralised industry have worked out ways that they can identify their workforce needs but taking into account skills issues, performance management, they've got a kind of very good template for mapping their workforce skill and their workforce management needs and numbers and so on into their future as that industry tries to access global markets. Similarly training interventions, that is another good example from the dairy industry where a

collaborative model of training development is being developed, that's their strategy for addressing high-end technician training in that industry.

Inter-relationships between firms is something that often comes up in industries like in our case mental health services where there is a very fragmented industry structure and so relationships between sub-sectors is an issue. You might have one customer moving into several of the acute, care or rehabilitation services, having to move between a whole lot of different organisations to get a service, that project tried to tackle that issue of fragmentation head on by making the model of service delivery more cohesive and then addressing the skill development needs that came out of that joined up kind of model.

Policy frameworks and settings - I guess that is an area that we ask all projects to address, so that it's a way of trying to build sustainability into the strategies that the industry comes up with. I mean that might be licensing, the forestry project in Tasmania tried to get changes to the licensing system requiring new skill requirements but I also noticed in Giselle's paper - something I thought was very good, example of policy change if looking at currency requirements, and that's something I guess that can be applied in many industries.

This is kind of the framework, not all of these issues are relevant obviously in each industry and industry sub sector but they are what we ask people to consider, analyse, diagnose and look at. As you can see it's quite challenging and complex and we're not at all saying we're the experts in all these areas, we're requiring people to bring in the expertise and the stakeholders that they need to look at these areas and come up with a strategy that isn't just about training but definitely involves learning. I'll hand over to Kim now.

**Kim Windsor**  
**Kim Windsor and Associates**

Interesting, speaking towards the end of a conference because so many of the themes have been covered which is great because there is such sort of synergy between the speakers but makes for an interesting challenge in managing notes.

What I'm going to do is talk to three parts or three stages that are common to these projects. I'm drawing from the skill ecosystem work with Caroline but also recently I've been working with Queensland DET where they're having a look at an initiative their running under the heading of skill formation strategies. I wont speak to that very extensively because that's a project still running but certainly that's the experience of looking both at some of the initiatives in the national project as well as in that state.

Although there are clear differences, they all start with the stakeholder engagement and I guess that sets the context that we are not just talking about partnership in a sense of what goes on at the company, at the client level, we're really looking at this stakeholder. This broad stakeholder engagement that sets the general framework and some of the themes that come up there are things that we've already talked about.

The different languages that get taught in the different spheres and just to give you a very practical example because it's a theme that a number of people have touched on: something like 'career paths' for a training skills council, career paths are all about reaching the training package and maybe creating a few new rules about training qualification structures.

If you talk to an employer they are about things like job boundaries, getting people to do different things, negotiating new arrangements in the workplace. If you talk to a union, they're going to be about sensitivities to do with how much people get paid and who gets access to the jobs. If you talk to an employee it's about is the work more interesting? Is it worth doing? Do I get a pay rise? these languages are totally different and without all of those players being at the table, really we can't do a lot about career paths so there's nothing much, there's not much value in training, changing a career package or rolling out training if those other bits aren't all in place.

I think a lot of what speakers have said today is the complexity of the environment, it is absolutely complex and that leaves us with a dilemma: What do we actually do about it? How do we engage with this environment? So we know it's complex and we know that we can't have simplistic solutions. How do we bring all the players together? and as you can imagine, I guess one of the issues for the projects is that there's a tendency to want to speak to people you like to speak to, it's not always comfortable when a project is looking for instance at changing job boundaries as the aged services project was looking at.

It's not always comfortable to say; well what does the union think about that? Have you looked at the implications industrially for those issues? they're not naturally evolving things, they're quite deliberate things that you have to design so the bridging of cultures and the different languages have been a major theme of these projects across the board, it's necessary, it's the pain we've got to have because these issues can't be resolved by one party, these issues need to have a context that's created for them.

I guess the other reason that we're looking at bringing together industry level, or sectoral or regional groups rather than just going straight into the workplace where it has to happen that's the sight of implementation is that there has been a lot of talk about something Ewart Keep (who's a writer in this field) calls 'the welfare mentality of business' that is, you know business say, oh we've got a skills shortage so that public dollars get thrown at those things, and so there's a sense that it's not an industry problem; it's a government problem and part of these initiatives are trying to find ways of shifting responsibility to industry, to manage issues, so that it's not something that is a problem for government alone, it's not something that we can just say 'it's that terrible, unresponsive, public sector provider' it's the shared issue that we have to work on together and we've got to create these spaces where that level of discussion and collaboration can happen and that's not easy to do at the enterprise level alone, the enterprise is absolutely essential but it's not alone it's not the site where you can make those differences.

In drawing together those discussions, those groups of players that can influence the relationships between what skills are provided to the market and are the skills actually used and do they have any impact at all on productivity and output? Deciding whether we have the right voices at the table is a big challenge, so are we hearing the voices of particular enterprises and I'm sure as providers, you're all very familiar with those enterprises that say to you: 'Can you get us a tradesperson through in three months, can you speed up the training, we haven't really got a lot of time' and then on the other hand you've got employers saying: 'This is disastrous, skills aren't what they used to be, tradespeople aren't as qualified'.

Whose voices are you actually hearing is one of the questions and of course is the breadth of interests being represented? Managing diverse interests, I guess even where we've got industry rather than vocal companies at the table and by that I guess certainly some of the project people here are familiar with that quite different level of conversation that people can have about what is in an industry's interests versus what is in their particular enterprises interests and you can hear those conversations are very different.

Notwithstanding that, industry is not homogeneous. When we talk about being responsive to industry, that means a hundred different things to different people so it depends what sector, what market, what size company, those things will drive their interests in skill formation, the kind of changes they're looking to have so I guess one of the other struggles for these projects is to be very clear about those differences, there will be differences there will be often conflicts and it's important to get those clearly on the table so that they are acknowledged and that we're clear about which sector or which set of problems we're responding to.

The role of VET has been mixed in some projects. Where the provider's early involvement has been problematic and where industry parties have said we're not interested in having VET in these discussions is often in response to, I guess what is a fairly unstrategic role, that is, where say a provider uses it to market their services, so at that strategic level, VET's participation is seen as of institutional benefit. In the same way that you need to moderate the voices of individual players that are representing a very specific enterprise perspective, you need the same control over VET's input. If they are representing a very specific and narrow interest i.e. - commercial ones - then that is not a terribly helpful involvement at that level.

The next level I guess is to talk about project content and as Caroline pointed out, there is a real vulnerability that these projects get really hung up on process and engagement and it's difficult so it takes a long time. The question at some point is engagement for what? What are we actually trying to do? There's certainly benefits to bringing the players together in terms of sorting out easy to fix problems and I think it was Peter that was talking about finding the maze through the sort of VET-speak and clarifying some of the pathways and so there's some very, very sort of practical and quick fixes that can be gained by bringing parties together. But there is a tension and at some point you have to say okay, well the quick fix we're doing is getting some runs on the board but there's a broader strategic purpose as to why we're coming together which is to sort through what are the long-term issues that this industry faces in terms of skill development needs.

In terms of that conversation, it's very important to actually have a look at what the real issues are so that I'm sure that lots of you here are very familiar with the panic; we've got a skills shortage or a labour shortage. It's important to challenge some of the very easy assumptions and mindset which may or may not be the case so if we're talking about where do we look to spend public dollars to make a difference to an industry's performance, it's important to really understand the difference.

I guess one of the projects that comes to mind in this slide is some work that was done on civil construction SFS project in Queensland, where of course it's an industry that supplies the mining industry, it's infrastructure - it's very subject to this whole labour shortage, skills shortage crisis and yet what they did was to put three people out there on the labour market, two I guess unconventional, one woman, one older worker and one fairly sort of standard worker profile and said go in and see what you can find out about civil construction jobs. Interestingly, the employers are all saying there's a labour shortage because these people had enormous difficulty in actually finding any information about what was going on and accessing any jobs so one of the really crucial roles in these projects is to actually go out and get the evidence, is there really the problem? And if that really is the problem then where should we be focusing? So we're not just pouring money into things that respond to knee-jerk analysis, but on a deeper level actually won't hit the mark.

Establishing a focus on collaborative action is another thing. Employers can all have a problem, for example, the dairy manufacturing firms, all have a problem in recruiting in regional areas, and do they want to collaborate on how they recruit? Absolutely not. So a common problem doesn't mean decided collaborative action, it's important to be clear about is the problem shared? Yes. Are you prepared to share finding solutions? Maybe yes, maybe no. I think that's shifting so a number of industries are in fact talking about not so much collaborative action in recruitment but collaborative action in retention so if career paths are a bit tight in some areas then they'll look to share those career paths with others.

The implications just briefly for partnering at the workplace level, I guess it's about building more robust relationships, more robust practice in the workplace rather than providing the external package to the workplace. Most importantly, we've heard a lot about whether VET is responsive and what VET could be doing. But what we don't hear much about is what business is doing and what business is bringing to the table in terms of, are they actually providing environments in which people can practice, can develop, can apply their skills or are we just throwing training into something that really isn't an environment that will allow that to grow, are they retaining people or is it just something that's a high turn rate through the door and I think that this has got implications for how we measure these kinds of projects. We are very good at measuring training activity, we talk about a demand and supply style approach but we don't measure what industry bring and I think it's about industry accountability that some of our measures have to build in.