

What value do employers give to qualifications? Support document

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This document was produced by the authors based on their research for the report *What value do employers give to qualifications?* and is an added resource for further information. The report is available on NCVER's website: <http://www.ncver.edu.au>

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Appendix A: Detailed methodology

Introduction

The study explored the importance that employers place on qualifications held by their employees. This included investigation of characteristics that influence employers' valuing of qualifications, the types of competence for which formal recognition is pursued, and the associated decision-making processes employers adopt.

Qualitative research methods were used initially to understand employer conceptualisations of relevant issues. The qualitative research consisted of interviews with key informants in industrial associations and focus group discussions with heterogeneous industry groups in metropolitan and regional locations. The outcomes from this qualitative research were used to develop the survey instrument for the subsequent quantitative research.

By employing a mailed survey to a large number of enterprises, the research methodology sought to establish quantified findings across different-sized enterprises in different industries. Although responses were ultimately obtained from 150 enterprises, this was a smaller sample size than originally anticipated, and hence limited both the analysis by sub-groups and the generalisability of the findings.

The main research questions addressed in this project were:

- ✧ Are there recognisable and significant variations in the use of qualifications between different 'categories' of employers?
- ✧ Are there recognisable and significant variations within enterprises in the valuing of qualifications based on such aspects as the type of employee, type of job classification or role, the types of competency?
- ✧ If employers do value qualifications:
 - ◆ why do they
 - ◆ what for (employee selection, motivation, promotion, performance management)
 - ◆ are some qualifications more valuable than others?
- ✧ If employers do NOT value qualifications, why not, and what factors might make this change?
- ✧ If they do value qualifications:
 - ◆ why do they
 - ◆ what for (employee selection, motivation, promotion, performance management)
 - ◆ are some qualifications more valuable than others?
- ✧ Who makes decisions about the type and level of competency assessment? On what basis are decisions made, using what criteria? Is a risk management approach adopted?

Methodology overview

The initial methodology for this project included four sequential steps:

Stage 1: semi-structured interviews of major employer groups

Stage 2: literature review

Stage 3: mailed questionnaire survey of employers

Stage 4: focus group discussions.

The aim of this proposed methodology was to facilitate the design of the survey instrument. In view of a number of issues and uncertainties on design and content matters arising subsequent to the interview process, greater research effort was undertaken in the design of the questionnaire instrument and the research process. A revised research methodology sequence was discussed with NCVER and adopted. It was agreed that this would include the following stages:

Stage 1: semi-structured interviews of major employer groups

Stage 2: focus group discussions to sharpen the research questions and to inform questionnaire design

Stage 3: specific literature review informed by information gathered through the focus groups

Stage 4: focus group discussions to validate the draft questionnaire design

Stage 5: pilot testing of survey instrument

Stage 6: mailed questionnaire survey of employers.

The response rate to the mailed questionnaire survey, based on first-round responses with no non-respondent follow-up, proved to be poor, effectively about 10%. The reasons for this are touched upon in subsequent sections. In summary, though, it appeared to result from a combination of:

- ✧ a poor mailing list, with many out-of-date records in the database (as evidenced by the high number of questionnaires which were 'returned to sender')
- ✧ a large and complex questionnaire
- ✧ increasing employer reluctance to respond to surveys, compounded by the downsizing of many Australian enterprises
- ✧ lack of an incentive to respondents in the form of a prize, which is becoming the norm with many commercial survey researchers
- ✧ insufficient promotion of the survey from sources which were credible with employers.

The research process was halted in order to, first of all, determine whether the project should continue, and second, if it did, determine the best way forward.

After some delay, it was agreed between NCVER and the researchers that the project should be completed. The new approach adopted was to (1) complete more surveys through telephone interviews, and (2) simplify the survey questionnaire where necessary. Hence the final two methodology stages of the study became:

Stage 7: telephone interview of employers

Stage 8: analysis of qualitative (interviews/focus groups) and quantitative (mail/telephone survey) data, interpretation and reporting.

Details on each of the stages of the methodology outlined above are described in the following sections.

Semi-structured interviews

In the initial stages of the research project nine interviews were arranged and conducted with senior members of selected national and state employer organisations. The aims of the interviews were to:

- ✧ seek views on a range of possible questions and terminology likely to be used in the mailed questionnaire survey instrument

- ✧ explore what dissemination approaches would be particularly welcomed
- ✧ create a 'partnership' relationship with the employer in the research project. The partnership would, at the minimum, be to the benefit of the researchers, in terms of assisted access to employer members and facilitating existing or arranged groups for focus group discussions if not contribute to questionnaire design and sampling framework. Ideally however, the organisation would contribute to research processes (for example, questionnaire design, sampling framework) and profit from the research results.

The level of interest among the interviewed associations varied. Some exhibited a strong desire for a partnership arrangement, while at the other extreme, some associations were indifferent to the research agenda (and possibly to any research involving their membership). Those who were most interested in a partnership relationship were the Australian Chamber of Commerce and Industry and some of their affiliate members (Australian Business Limited and the Victorian Employers Chamber of Commerce and Industry). Their desire translated into contributing to the research design, commenting on the survey instrument/s, arranging focus groups of members and incorporating a newsletter item encouraging participation in the survey.

Literature review

As part of prior research to this study (Ridoutt et al. 2002a, 2002b), reasonably extensive (although not exhaustive) literature searches and reviews were conducted. An additional search and a short literature review were agreed as part of this study to explore specific issues in respect to the research questions and focus group discussions

Focus groups

Several focus groups were organised through the auspices of a number of the industry associations mentioned above. The focus groups were conducted in two stages.

- ✧ Stage 1: exploratory group discussions prior to attempts to design the questionnaire. The discussions were primarily aimed at understanding how employers might most easily and clearly understand certain potentially difficult conceptual areas, such as enterprise risk, human resource management decisions, factors determining enterprise size, even the concept of 'qualifications' itself.
- ✧ Stage 2: confirmation group discussions, after initial questionnaire design efforts. These discussions were primarily aimed to consolidate design features and to make adjustments to the content of particular survey questions.

The Stage 1 focus group discussions were directed by a set of discussion points formulated around researcher-constructed hypotheses. The Stage 2 focus group discussions were directed by the draft questionnaire.

Survey data collection

Questionnaire design

A copy of the final paper questionnaire is attached as appendix C. The final draft was discussed with three focus groups of employers, including two metropolitan and one non-metropolitan employer group. Following this input and the extensive field testing which had already taken place at that stage, the questionnaire was finalised and commissioned. Opportunity for further input by NCVER and the Statistical Clearing House (Australian Bureau of Statistics) was also provided prior to administration of the survey.

As noted earlier, given the insufficient response rate, the researchers later undertook to seek further responses through telephone interviews. This required some modification to the original survey instrument (see appendix D). Most of the modifications aimed to facilitate an interview process as opposed to self-completion, and therefore in essence, the questions remained consistent. Some other modifications attempted to improve respondents' understanding of the intention of specific questions, as well as ensuring that only relevant information for the research project was elicited. Generally, these questions were articulated so that they enabled comparison between the mailed and telephone collected surveys. However, some questions were modified such that direct comparison become indefensible. A summary comparison of the mailed questionnaire survey instrument against the telephone interview instrument is provided in the table 1.

Table 1: Comparative analysis of mailed and telephone survey instruments

SECTION A—ORGANISATION CHARACTERISTICS	
A1	No changes
A2	No changes
A3	Part-question omitted (managed by owner)
A4	Question omitted (single, multinational, located in Australia or overseas)
A5	No changes
A6	Changed from 'managers and administrators' to 'managers and supervisors', consistent
A7	No changes
A8	Question omitted (awards)
A9	Question omitted (% staff covered by awards)
A10	Made optional
A11	Added description category: n = quick imitator
SECTION B—VALUE AND USE OF QUALIFICATIONS	
B1	Additional questions B1a & B1b —why a degree or TAFE/trade qualification are <i>not</i> considered a qualification
B2	Question omitted ('prefer that ALL workers hold/obtain formal qualifications')
B3	Category 'very important' has been omitted
B3a	Added – test idea that different categories of workers might have different requirements for skills and qualifications
B4	No changes
B5	Question omitted
B6, B7 & B8	Modified as follows: It now includes a list of identified risks (guided question). It identifies whether training and/or experience is important. It identifies training types (formal education; company training; experience or other).
B9	Original question only asked about levels of assessment to ensure satisfactory skill/competence in minimising substantial skills. Now B7a & B7b and optional questions relating to 'high risk areas' and asking whether: the employer seeks to have more formal or external assessment of people's skills – if so, why? The employer sees formal qualifications as more important—if so, why?

Planned sample population

The target population was enterprises in a selected number of Australian industries. A sample population was constructed on the basis of two variables: industry sector and size of enterprise. The six industry sector strata were as follows: manufacturing; retail and wholesale; education and training; construction; transport; and commercial services. The three enterprise size strata were: <50 employees (small); 50–199 employees (medium); and 200 or more employees (large). The two main variables for sample stratification were chosen since size had been shown in previous studies (Hayton et al. 1996; Ridoutt et al. 2002b) to be a potentially strong influence on training

activity, especially formal training, and wide industry coverage seemed wise if wanting to generalise the findings to ‘all employers’.¹

The required sample size was estimated in the following way. Taking one industry sector as an example (manufacturing, which is the largest), the calculated sample size (n) from the sample frame for say enterprises of <50 employees is approximately 11 000.

Box 1: Population sample size for survey (focus on proportions)

Population size:	11 000
Expected frequency:	20.00%
Worst acceptable:	15.00%
Confidence level	Sample size
90%	170
95%	240
99%	409
99.9%	652

Formula: Sample size = $n/(1-(n/\text{population}))$
 $n = Z^2 P(1-P)/(D^2 D)$

Source: Snedecor and Cochran (1973)

The calculated sample n varies between industry sectors, depending on the actual population size in each cell (that is the intersection of industry sector and one of the three employer sizes). However, we proposed to focus only on the enterprise size as a governing factor in sample size determination. Since there are three size proportions to consider, a total sample size of 720 would have been sufficient. In fact, after discussions with the Australian Bureau of Statistics, we attempted to survey 50 enterprises in each of the 18 ‘cells’ created by the sampling framework (6 x 3 strata), thus providing a sample population of 900.

Survey response

The response rate to the initial mailed questionnaire survey was extremely poor, so much so that abandoning the research project was considered. It is difficult to get good data on why the survey had such a poor response rate; however, there are a couple of factors believed to have played a large role in the low response rate.

One of the main factors was highlighted when follow-up phone calls were carried out. Several of the survey recipients who were followed up claimed that they had so many surveys that they were obligated to fill out (for example, from the Australian Bureau of Statistics), that an optional survey received very low priority. Others responded that, due to the increasing number of surveys received, it had become company policy not to fill out surveys. These responses are consistent with feedback from other projects and other consultants that highlight a general ‘consultation fatigue’ being suffered by industry. We had anticipated this industry response to a certain extent, which is why the aid of industry bodies in the administration of the survey (to give it a higher profile in the eyes of the recipient) was sought, but did not eventuate.

¹ It is noteworthy that, although widely touted as an important influence, neither Hayton et al. nor Ridoutt et al. could find a consistent effect attributable to industry on training decision-making by employers. It is possible that within-industry variation is significantly greater than (and therefore ‘swamps’) between-industry variations.

Another factor that could have had a significant impact on the response rate was the quality of the database used. Upon investigation, it would appear that the survey was not always addressed to the appropriate person in the organisation.

Integral to the decision to complete the research study when faced with the poor response to the mailed questionnaire survey was an acceptance that analysis by different factors might need to be sacrificed. In the final analysis, between the mailed questionnaire and telephone interview process, a total of 150 responses were received. A summary of the distribution of the organisations by industry sector is outlined in table 2.

Table 2: Distribution of organisations by industry sector

Industry sector (ASIC main classifications)	Number of companies surveyed	
	Mailed questionnaire survey (n = 81)*	Telephone interview survey (n = 69)**
Agriculture, forestry and fishing	2	1
Manufacturing	30	30
Construction	6	5
Retail/wholesale trade	3	2
Transport and storage	12	20
Finance and insurance	1	-
Cultural and recreational services	9	-
Education and training	3	7
Electricity, gas and water	1	1
Accommodation, cafes and restaurants	1	2
Communications services	1	3
Property and business services	8	2
Health/community and personal services	3	3

Notes: * Some respondents did not fill in this section of the survey identifying their industry. Hence, the number of industries is less than the sample population

** In the interview process several respondents took the opportunity to self -identify as belonging to more than one industry sector. Hence, the number of industries totals more than the sample population.

ASIC = Australian Standard Industrial Classification

Clearly the two industry sectors, manufacturing and transport and storage, dominate the survey population, accounting for 40% and 21%. All other industry categories combined account for only 39%.

The study originally intended to survey respondents from a wide range of industries. However, when the research was redesigned, a smaller number of industries were targeted for the telephone interview. Consequently, the original industry sectors were collapsed into the following industry groupings: construction, manufacturing, transport, service and other.

The intention of the project was to have a sample population representative of the states and territories and also of the industry groups being studied. As can be seen from the accompanying data (table 3), the sample population appears to have a strong bias towards New South Wales and Victoria, although proportionately, it is reasonably representative of industry activity in the respective jurisdictions.

The proportional representation of small (48 % and 34%), medium (25% and 29%) and large (26% and 36%) sized enterprises (see table 4) favours the smaller-sized enterprise population.

Table 3: Respondents by state/territory

State/territory	Respondents		Population
	Frequency (n=148)	%	%
ACT	2	1.4	1.6
NSW	58	39.2	33.6
NT	1	0.7	1.1
QLD	20	13.5	19.1
SA	9	6.1	7.8
TAS	2	1.4	2.4
VIC	43	29.1	24.6
WA	13	8.8	9.8
Total	148	100.0	100.0

Table 4: Distribution of organisations by enterprise size

Enterprise size (number of employees)	Number of organisations surveyed	
	Mailed questionnaire survey (n = 81)	Telephone interview survey (n = 69)
under 20	16	13
20–49	22	11
50–199	21	21
200–500	8	10
> 500	13	15

Note: * In the interview process several respondents took the opportunity to self-identify as belonging to more than one industry sector. Hence, the number of industries totals more than the sample population.

Comment on the sample population

Clearly the first question is the size of the sample population and is it sufficient to allow sensible analysis. The formula for a standard error, assuming no sample design effect is:

$$\sqrt{\frac{p(1-p)}{n-1}}$$

Where p = estimated proportion and
 n = sample size

If the same parameters as originally adopted are placed into this formula along with a sample population of 150, then the standard error calculation is 0.057.

While this is not in itself a cause for concern, the obtaining of the sample population itself with the high level of non-response suggests that a strong bias in the population might exist. What that bias may be is difficult to assess, but clearly all the proportions highlighted in the findings chapter need to be interpreted with care. Even statistically significant differences in proportions, where obtained, would not in this circumstance allow generalisation to the entire population of 'employers'.

Data analysis

Quantitative

The primary purpose of the study was to collect and analyse sufficient data to enable a generalisation of conclusions on enterprise perspectives on qualifications. The response rate was therefore disappointing, since it precluded detailed analysis by industry category.

However, the sample population response for most questions, especially those where the mailed questionnaire and telephone interview data were comparable, was more than acceptable for analysis of 'enterprise' perspectives, even by different size categories. This presumes, of course, that there were not systematic differences of significance between responding and non-responding enterprises in relation to the factors being investigated by the project.

Analysis in most cases was through simple frequency distributions and cross-tabulations. Where appropriate, statistical tests were applied to test the significance of observed differences in means between categories.

Qualitative

A content analysis of the information collected through interviews was undertaken. To ensure all the relevant issues were answered, the information was partially 'processed' into broad areas of interest that mirrored the information requirements relevant to the research questions. These broad areas of interest included:

- ✧ attitudes to qualifications and what they mean
- ✧ attitudes to assessment
- ✧ organisational culture
- ✧ approach to risk management
- ✧ perceived differences between jobs/roles and competencies in respect to risk.

Appendix B: Sample population

Description of the sample population

As has previously been described in appendix A, the sample population covered a limited range of industries which have been agglomerated into meta-industry groupings for analysis purposes: construction, manufacturing, transport, service and other. The distribution of the meta-industries is given below.

Table 5: Distribution of organisations by meta-industry group

Meta-industry type	% represented
Construction	7
Manufacturing	38
Service	31
Transport	21
Other	3

A large proportion of respondents were from the private sector, although there was some representation from the public sector (see table 6).

Table 6: Distribution of organisations by sector

Sector	% represented
Public sector	3
Public sector commercial organisation	7
Private sector (for profit)	85
Private sector (not for profit)	5

The sample represents organisations of a range of sizes, with fairly even distribution between small, medium and large enterprises (see figure 1).

In order to be able to test the hypothesis that employers may value qualifications differently for different 'types' of employee, the organisations were asked to report on their staff numbers by occupational grouping. From these responses, the 'average' enterprise, in terms of workforce mix, was able to be constructed, although such an organisation with the exact blend of occupations set out below may not exist (see figure 2).

Figure 1: Distribution of organisations by size

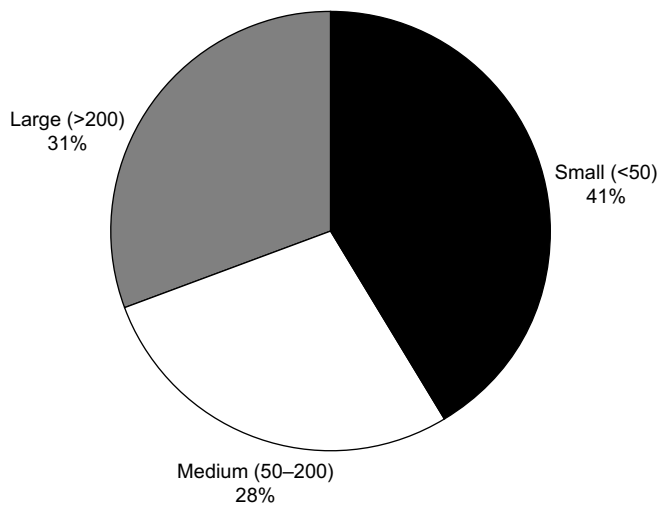
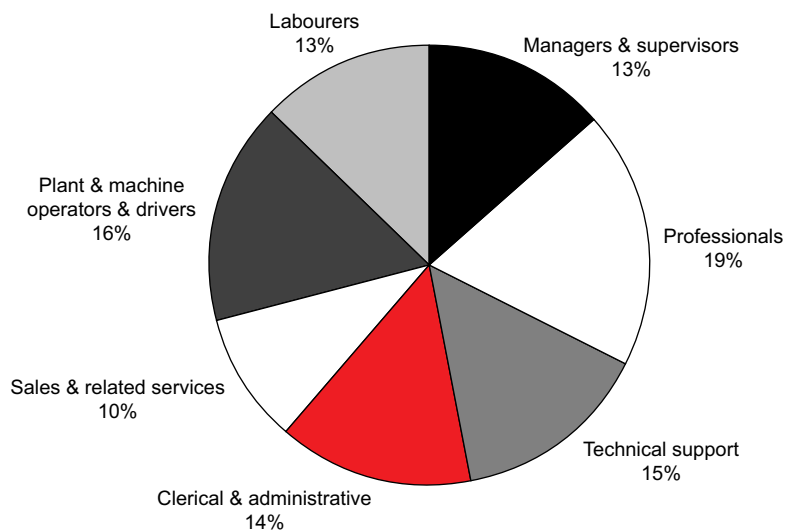


Figure 2: Average enterprise occupation profile



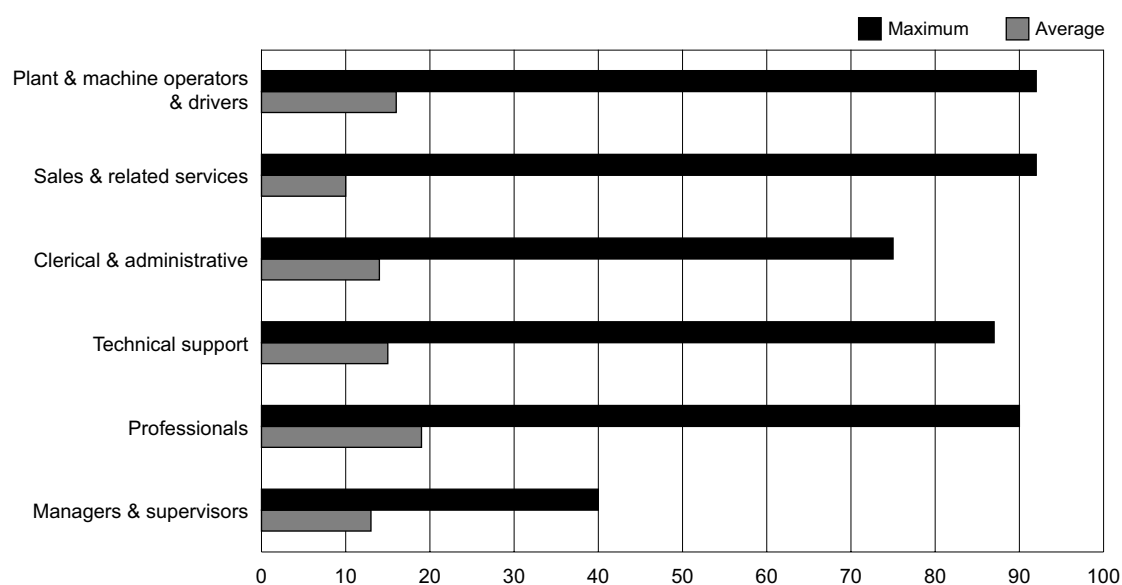
Analyses of results indicated that there was a great variability between enterprises, with several enterprises indicating that one occupational grouping made up almost the entirety of their workforce (see figure 3).

In the light of this variability and to aid meaningful analysis, organisations were reclassified into seven broad categories of staffing mix. These categories were:

- ✧ high professional (>40% staff classified as managers, supervisors or professionals)
- ✧ high professional/technical (>50% staff classified as professional or technical where neither category is greater than 40%)
- ✧ high technical (>40% staff classified as technical support)
- ✧ high administration (>40% staff classified as clerical and administrative)
- ✧ high sales (>40% staff classified as sales and related services)
- ✧ high operator (>40% staff classified as labourers, plant and machine operators and drivers)

◇ mixed (the remainder of the organisations, ie those for whom the above circumstances did not apply).

Figure 3: Average and maximum percentage of employee occupation type



The distribution of enterprises (see table 7) showed that the sample favoured high professional, high operator and mixed organisations, accounting for 73.3% of the sample in total.

Table 7: Distribution of enterprises by nature of the staffing mix

Staffing mix	Frequency (n=150)	Proportion of total (%)
High professional	32	21.3
High professional/technical	5	3.3
High technical	20	13.3
High administration	7	4.7
High sales	8	5.3
High operator	45	30.0
Mixed	33	22.0

A number of cross-tabulations between staffing mix and other measures were carried out to further describe the sample (see tables 8 and 9).

Table 8: Cross-tabulation of staffing mix and meta-industry (%)

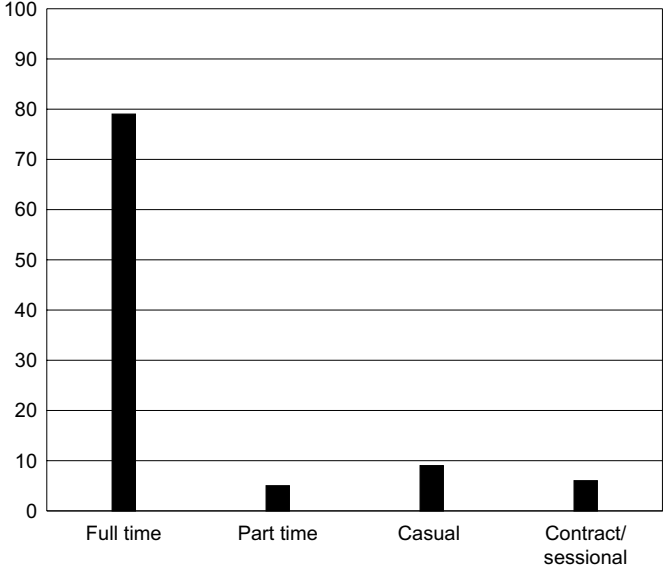
Staffing mix	Broad industry category			
	Construction n=11	Manufacturing n=57	Service n=47	Transport n=31
High professional	27	4	49	13
Professional/technical	9	4	4	
High technical	36	19	9	3
High administration			9	10
High sales		4	13	
High operator	9	39	13	45
Mixed	18	32	4	29

Table 9: Cross-tabulation of staffing mix and enterprise size (%)

Staffing mix	Enterprise size				
	<20 n= 26	20–50 n=34	51–200 n=43	201–500 n=19	>500 n=28
High professional	31	26	16	21	14
Professional/technical	8			5	4
High technical	12	12	21	16	4
High administration		6	7		7
High sales		9	7	5	4
High operator	19	26	30	32	43
Mixed	31	21	19	21	25

The sample seemed to favour organisations with high proportions of full-time employees, the ‘average’ enterprise full-time participation rate being 78.8%, and casual, part-time and contract/sessional work accounting for less than 10% each (see figure 4).

Figure 4: Profile of ‘average’ sample enterprise population by employment status



Several measures of organisation culture were attempted, including personnel turnover. Turnover was generally under 20% (see figure 5) and is seen by the respondents as being reasonable or low for their industry (see figure 6).

Figure 5: Distribution of sample by annual staff turnover

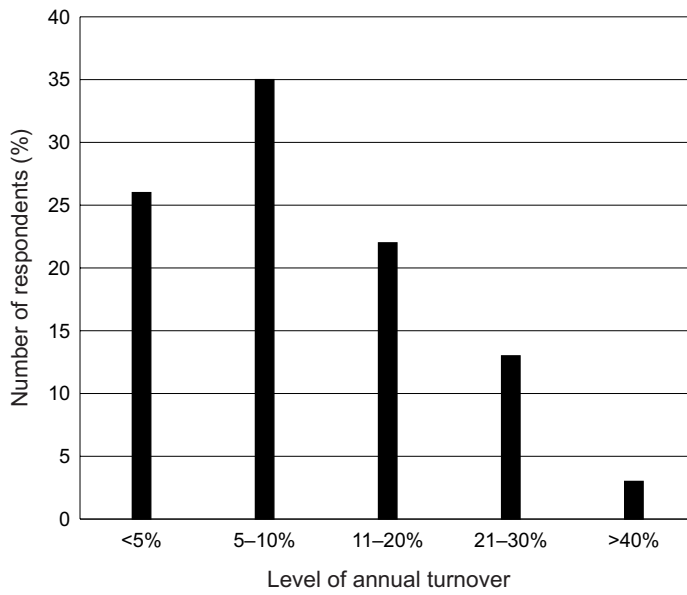
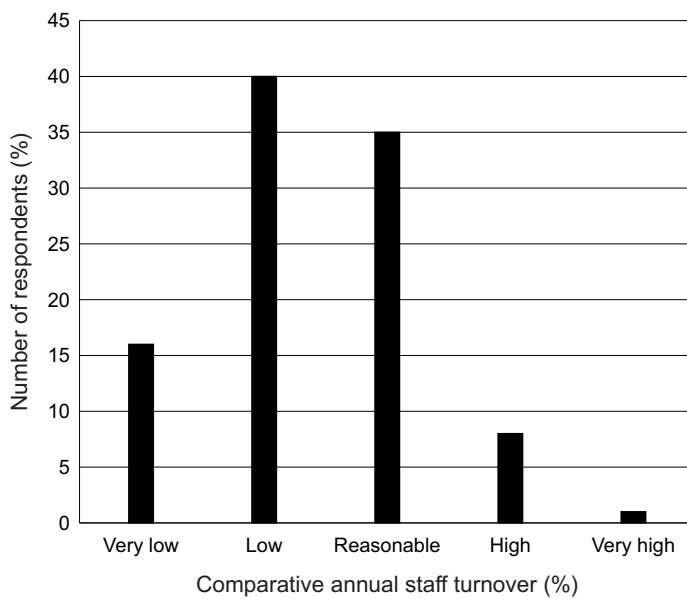


Figure 6: Description of annual staff turnover compared with own industry



Most of this turnover (~66%) was initiated by the employee.

Organisational culture and attributes were also measured by asking respondents to identify whether the following circumstances applied to their organisations. Overall results are reported in table 10 and are discussed below.

Table 10: Prevalence of specific enterprise attributes

Enterprise attributes	Proportion of enterprises (%) indicating they have the attribute n=150
a) high technology	37
b) leading edge practitioner	37
c) leading innovator	50
e) in an organisation where change to culture/practices is driven by a major customer	25
f) currently in, or emerging from a recent significant structural organisation change	43
g) feeling the effects of a recent discrete organisation change	25
h) subject to significant technical change	21
i) in a period of sustained organisational growth	52
j) in a period of continued organisational/industrial decline	9
k) in a period of organisational consolidation	42
l) significantly exposed to global markets	34
m) in an industry with significant supply chain management/integration	37

A number of these attributes were clustered to construct measures of enterprise *innovation, change and growth*.

Level of innovation was constructed from the cluster of responses to high technology, leading edge practitioner and leading innovator attributes. Where all three circumstances were present, the organisation was labelled high, where two were present, they were considered medium and less than two as low (see table 11).

Table 11: Prevalence of specific enterprise attributes

Level of innovation	Respondents (%) (n=148)
Low	34
Medium	47
High	18

A second construct, level of change, was derived from identification with the following circumstances:

- ✧ in an organisation where change to culture/practices is driven by a major customer
- ✧ currently in, or emerging from a recent significant structural organisation change
- ✧ feeling the effects of a recent discrete organisation change
- ✧ subject to significant technical change.

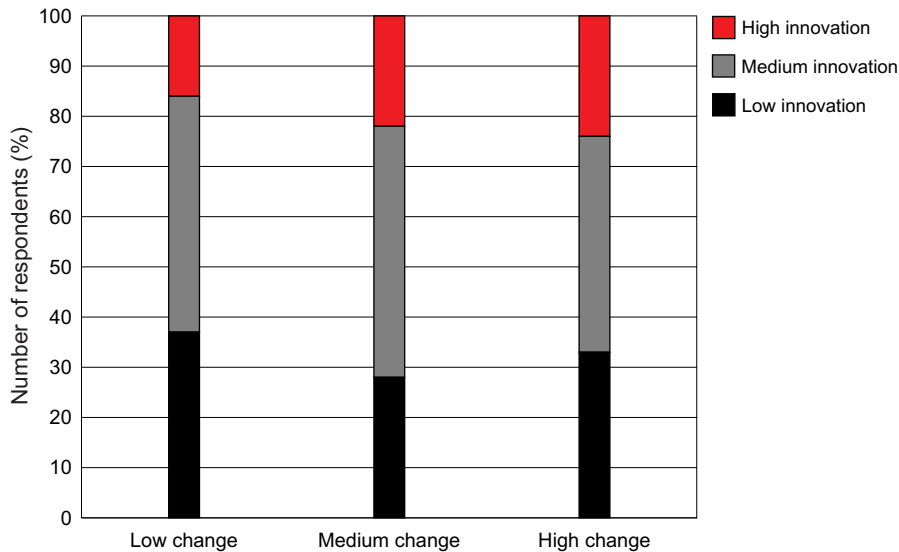
Respondents were grouped into low, medium, high levels of change, where respondents identified with fewer than two, two, more than two of the above circumstances respectively.

Table 12: Distribution of organisations by level of change experienced

Level of change	Frequency (%) (n=148)
Low	65
Medium	21
High	14

There was a non-significant trend for higher levels of change to be associated with higher levels of innovation, as shown in figure 7.

Figure 7: Organisational innovation at different levels of change experienced by organisation (n = 148)



A third construct aimed at measuring enterprise and industry level of growth or decline was derived as a result of identification with the following items:

- ✧ in a period of sustained organisational growth
- ✧ in a period of continued organisational/industrial decline
- ✧ in a period of organisational consolidation.

A large proportion of enterprises (68%) self-identified as being in a period of sustained organisational growth (interestingly, this includes 16% who indicated that their industry was in decline), and only 5% regarded themselves as being in a period of organisational or industry decline only (table 13).

Table 13: Distribution of organisations by level of growth experienced

Level of growth	% enterprises (n=148)
Organisational growth only	36
Organisational growth + organisational/industry decline	16
Organisational growth + organisational consolidation	16
Organisational consolidation only	23
Organisational consolidation + organisation/industry decline	3
Organisation/industry decline only	5

These conditions of growth were cross-tabulated with levels of innovation to give the following results.

Table 14: Cross-tabulation of innovation by level of growth experienced (%)

Innovation	Level of growth (n=148)					
	Growth (n=54)	Growth + decline (n=23)	Growth + consolidation (n=24)	Consolidation (n=34)	Consolidation + decline (n=5)	Decline (n=8)
Low	35	39	29	32	40	38
Medium	50	52	33	50	40	50
High	15	9	38	18	20	13

The growth circumstance that seems to correlate with high levels of innovation is a period of sustained growth AND a period of consolidation. Among the enterprises that responded to the survey, those in growth, in organisational growth plus industry decline, and in organisation or industry decline, were least likely to be high innovators (see table 14).

Appendix C: Survey questionnaire



Valuing qualifications by employers

Survey questionnaire

The questionnaire will take **approximately 20 minutes** to complete.

All information you provide will be treated as **CONFIDENTIAL**. All data collected will be published only in a way that would not allow an individual company to be identified.

Please return the completed survey by 30th August 2002.

If you have inadvertently delayed completing and returning this questionnaire before that date, please don't throw the questionnaire away before giving us a call on 02 9484 9745.

You can respond using any of the following means:

Post: Reply Paid 124 (envelope supplied)
Human Capital Alliance
PO Box 2014
NORMANHURST NSW 2076

Fax: 02 9484 9746

Email: project.officer@humancapitalalliance.com.au

Ring 02 9484 9745 or email the above for an electronic copy of the questionnaire.
Please note that confidentiality cannot be guaranteed on emailed responses

Our preference would be for emailed responses, but responses in any form appreciated.

Please bear in mind that unless specifically stated, we are seeking information on the **CURRENT** activities in your organisation.

Section A: Organisation characteristics

A1 Organisation name:

A2 Industry : *(Please tick at least one of the following boxes which equate to divisions in the Australian and New Zealand Standard Industry Classification. In the space below the boxes you can write more detail. For example, you might have ticked the "Manufacturing" box, and you can then write "Plastics manufacturer" or "Plastics injection moulder")*

- | | | | |
|------------------------------------|--------------------------|--------------------------------------|--------------------------|
| Agriculture, forestry and fishing | <input type="checkbox"/> | Mining | <input type="checkbox"/> |
| Manufacturing | <input type="checkbox"/> | Electricity, gas and water | <input type="checkbox"/> |
| Construction | <input type="checkbox"/> | Wholesale trade | <input type="checkbox"/> |
| Retail trade | <input type="checkbox"/> | Accommodation, cafes and restaurants | <input type="checkbox"/> |
| Transport and storage | <input type="checkbox"/> | Communication services | <input type="checkbox"/> |
| Finance and insurance | <input type="checkbox"/> | Property and business services | <input type="checkbox"/> |
| Cultural and recreational services | <input type="checkbox"/> | Health and community services | <input type="checkbox"/> |
| Education | <input type="checkbox"/> | Personal and other services | <input type="checkbox"/> |

Other notes. Please specify

A3 In which of the following categories would your organisation best fit? *(Please tick one only of the following boxes)*

- | | |
|---------------------------------------|--------------------------|
| Public sector | <input type="checkbox"/> |
| Public sector commercial organisation | <input type="checkbox"/> |
| Private sector (for profit) | <input type="checkbox"/> |
| Private sector (not for profit) | <input type="checkbox"/> |
| Other (please specify) | <input type="checkbox"/> |

.....

If private sector, is your organisation managed by the owner?

- | | |
|-----|--------------------------|
| Yes | <input type="checkbox"/> |
| No | <input type="checkbox"/> |

A4 Is your organisation ...

- | | |
|--|--------------------------|
| a. a single site organisation? (Go to question A5) | <input type="checkbox"/> |
| OR | |
| b. part of a multi-site organisation? | <input type="checkbox"/> |

If part of a multi-site organisation, is it ...

- | | |
|---|--------------------------|
| a. operating only in Australia? (Go to question A5) | <input type="checkbox"/> |
| OR | |
| b. a multinational organisation? | <input type="checkbox"/> |

If a multinational organisation, is the head office

- a. located in Australia?
- OR**
- b. located overseas?

A5 Approximately how many employees does your organisation have Australia wide?
(Tick only one option)

- a. less than 20
- b. 20 - 50
- c. 51-200
- d. 201-500
- e. more than 500

A6 Approximately what percentage of your Australian employees fit into the following groups?

Notes: 1. The groups are based on the Australian Standard Classification of Occupations, which may not be easy to use. If you have employees that don't seem to fit, describe their occupation and put their numbers in the last row of the table
2. We would like you to be reasonably accurate here but we also do not want to create a major exercise for you. Your 'best guess' is the most we can expect.
3. Percentages should add up to 100%

a. Managers & administrators (ie senior people with a general overseeing responsibility)	%
b. Professionals (like engineers, accountants, scientists, etc. ie people with a specific technical/discipline based responsibility)	%
c. Technical support people (like technicians and trades people such as electricians, mechanics, etc.)	%
d. Clerical and administrative (ie people working under general supervision and providing clerical type support services)	%
e. Sales and personal services (ie sales staff, phone sales, technical sales and service, but not including repair)	%
f. Plant & machine operators and drivers (ie people with direct responsibility for operating the production process – plant operators, plant technicians)	%
g. Labourers and other related workers (essentially unskilled personnel whose work is predominantly physical)	%
Other – (please describe their function)	%

A7 Of the total workers currently at your organisation, how would they be divided among the following five workforce participation categories?
(Should add up to 100%).

a. full-time permanent	%
b. part-time permanent	%
c. casual	%
d. contract	%
e. other (please specify)	%

A8 Are workers within your organisation governed by any of the following industrial awards or enterprise agreements? (Tick as many boxes as appropriate)

- state industrial awards
- federal industrial awards
- enterprise agreements
- individual agreements (such as the Australian Workplace Agreements)
- Other arrangement (please specify)
-
Not sure what the arrangements are

A9 What proportion of the workforce at your organisation would be covered by industrial awards or enterprise agreements?

- all staff (100%)
- 76% - 99%
- 51 - 75%
- 26 - 50%
- up to 25%
- don't know

A10 Given that some turnover is inevitable, over the last 3 years what has been the level of annual staff turnover (that is proportion of staff leaving to total staff employed)? Note that smaller enterprises might have difficulty answering this, since one person leaving could effectively amount to 'high' turnover. If you think the last three years provides an unreasonable picture of your turnover, you may want to provide an average for a longer period. (Circle the most suitable response)

<5	5-10	11-20	21-40	>40
1	2	3	4	5

High turnover in one industry might be considered low in another. Think about your above response relative to the rest of your industry (or to your own staff turnover in prior years), and indicate whether you think your turnover was high or low. (Circle the most suitable response)

Very Low	Low	Reasonable Level	High	Very High
1	2	3	4	5

NB: was most turnover initiated by -

the employees; or

the employer

A11 Would you classify your organisation as fitting any of the following organisation descriptions or organisation circumstances? (Tick as many boxes as you believe appropriate)

- a. high technology
- b. leading edge practitioner (eg pursuing 'lean manufacturing' in all its aspects)
- c. leading innovator (eg new products, designs, processes)
- d. in an organisation where change to its culture/ practices are being driven by a major customer
- e. currently in, or emerging from a recent significant structural organisation change (eg downsizing, rationalising, merger, etc.)
- f. feeling the effects of a recent discrete organisation change (eg replacement of CEO, change of government, acquisition, etc.)
- g. subject to significant technical change (eg new equipment or tooling, new process or materials used for creation of products or services)
- h. in a period of sustained organisational growth
- i. in a period of continued organisational/industry decline
- j. in a period of organisational consolidation
- k. significantly exposed to global markets
- l. in an industry with significant supply chain management/integration
- m. other (please specify)

Section B: Value and use of qualifications

B1 Which of the following does your organisation consider to be a 'qualification'? (Tick as many boxes as appropriate)

- a. degrees conferred by a university or equivalent
- b. vocational education and training qualifications – typically TAFE or equivalent (that is certificates, diplomas, advanced diplomas)
- c. licences, 'tickets', etc. provided by non training bodies (eg rigging certificates of competence)
- d. certificates of attendance or other recognition provided for participation in a course
- e. industry training awards (eg hospital based nursing qualifications; awards from industrial or professional bodies)
- f. certificates of school achievement (eg. VCE, Leaving Certificate, HSC or matriculation)
- g. other (please specify)

Note: For subsequent questions ‘qualifications’ are generally confined to formal qualifications granted by a recognised educational and training organisation, such as a university, TAFE or equivalent body.

B2 Does your organisation prefer ALL workers to hold or obtain an appropriate formal qualification in order to be employed?

Yes

No, ... some employees don't need formal qualifications to perform their job

B3 In your organisation, how important are formal qualifications for the following groups of employee types? (Place a tick in the appropriate box representing the level of importance. Each employee type should be ticked. If you do not have that category of employee, please tick 'not applicable'.)

Types of employees (occupation groups)	Formal Qualifications are:					
	Essential – required by regulation	Essential – required by company	Very important	Important	Not important	Not applicable
a. managers & administrators						
b. professionals						
c. technical support people						
d. clerical and administration						
e. sales and personal services						
f. plant & machine operators and drivers						
g. labourers and other related workers						
h. other - please describe						

B4 How important in making these human resource management (HRM) decisions in your organisation particular skills?

Types of HRM decisions	Very important	Important	Not important	Not applicable
a. to plan for the current and future skill needs of the organisation				
b. to recruit / select new employees				
c. to comply with relevant occupational health & safety laws				
d. to plan training and ensure employee competence				
e. to make promotion decisions				
f. to determine levels of remuneration & other benefits				
g. to promote worker loyalty and commitment and reduce staff turnover				
h. Other types of HRM decisions? Please specify				

B5 How important in your organisation are formal qualifications held by employees when the following types of human resource management (HRM) decisions are made about them?

Types of HRM Decisions	Very important	Important	Not important	Not applicable
a. to plan for the current and future skill needs of the organisation				
b. to recruit / select new employees				
c. to comply with relevant occupational health & safety laws				
d. to plan training and ensure employee competence				
e. to make promotion decisions				
f. to determine levels of remuneration & other benefits				
g. to promote worker loyalty and commitment and reduce staff turnover				
h. Other types of HRM decisions? Please specify				

B6 What are the three main risks to your organisation (such as risks to profitability, risks to achievement of organisational goals, risks to the community standing of the organisation, risks to the customer base, legislative/regulatory risk, OH&S risk, environmental risk)? If you cannot identify three risks, please include as many as you can.

Classify each identified risk by ticking the appropriate right hand column for each risk.

Risk Number	Risk description for your organisation	Importance of risk management		
		Critical	Very Important	Important
Risk Number 1				
Risk Number 2				
Risk Number 3				

B7 In terms of managing the three risks you identified to your organisation above, how important are the formal qualifications of workers in that management effort? (Please rate the importance of each risk by ticking the appropriate column in the table below)

Risk Number	In managing this risk, formal qualifications are:			
	Very important	Important	Not important	Not applicable
Risk Number 1				
Risk Number 2				
Risk Number 3				

B8 In terms of managing the three risks you identified to your organisation above, how important are skills, experience and capacities of workers irrespective of whether they are recognised in qualifications?

Risk Number	In managing this risk, experience and capacity are:			
	Very important	Important	Not important	Not applicable
Risk Number 1				
Risk Number 2				
Risk Number 3				

B9 Where worker skill/ competence is important to minimising a **substantial risk** to your organisation, which of the following levels of assessment ‘rigour’ are you likely to insist upon to ensure the skill/competence is satisfactory? (Please rank order as many methods of assessment as your company uses)

unstructured internal assessment (eg make a judgement yourself; or ask the opinion of another worker/s or supervisor)	<input type="checkbox"/>
structured (formal) internal assessment (eg conduct a structured and documented process of assessment against agreed standards or benchmarks)	<input type="checkbox"/>
external assessment (eg conducted by an external registered educational or training organisation possibly resulting in a form of certification or other qualification)	<input type="checkbox"/>
current practice is not to assess worker skill/competence.	<input type="checkbox"/>

Please provide an estimate of the time taken to complete this form

Include

- The time actually spent reading the instructions, working on the question and obtaining the information
- The time spent by all employees in collecting and providing this information

_____ minutes

Would you like to receive a copy of the report when it is completed? If so, tick the box and complete your contact details below.

Please send me a copy of the report when it is complete

Contact Details (Optional):

If you would like to receive a copy of the report or are happy for us to contact you to clarify your responses, please complete the following:

Name: _____

Position: _____

Telephone () _____ Fax: () _____

Email: _____

Any comments or suggestions?

**Thank you for your assistance
in completing this survey!**

Appendix D: Telephone survey

Section A: Organisation characteristics

A1 Organisation name:

State or territory of interviewee:

A2 What is your industry type? (*tick all applicable*)

Agriculture, forestry & fishing	Manufacturing
Construction	Retail trade
Transport & storage	Finance & insurance
Cultural & recreational services	Education
Electricity, gas & water	Wholesale trade
Accommodation, cafes, restaurants	Communication services
Property & business services	Personal & other services
Other: Please specify	

A3 Which one of the following best describes your organisation? (*Tick one*)

Public sector
Public sector commercial organisation
Private sector (for profit)
Private sector (not for profit)
Other (specify).....

A5 For this survey, we are seeking information on your Australian operations only. Approximately how many employees does your organisation have? (*Tick one*)

Less than 20
20–50
51–200
201–500
More than 500

A6 The following is a list of mutually exclusive categories of employee. Please give approximately how many employees you have in the following categories:

Managers & supervisors
Professionals (people with a specific technical/discipline based responsibility – degree, ie accountants, engineers)
Technical support (technicians, electricians, mechanics, etc – trades or diploma/certificate qualified.)
Clerical and admin
Sales and related services (ie sales staff, phone sales, technical sales and service, not repair)
Plant & machine operators and drivers (ie people with direct responsibility for operating the production process – plant operators, plant technicians)
Labourers and related workers (unskilled personnel, predominantly physical work)
Other – (please describe function) and use in B3

A7 Of the workers currently at your organisation, how many are permanent full-time, part-time, casual, contract or other?

- Full-time permanent
- Part-time permanent
- Casual
- Contract
- Other (please specify)

A10 a. The following questions about staff turnover are optional. Given that some turnover is inevitable, what has your average annual staff turnover been over the last 3 years? If the last three years provides an unreasonable picture of organisation turnover, use the average over a longer period.

b. Different industries have different levels of turnover. Do you feel your above response is very low/low/reasonable/high/very high compared with the rest of your industry?

c. Was most turnover initiated by

- The employees
- or
- The employer

A11 Please answer yes or no to whether the following descriptions apply to your organisation

- High technology
- Leading edge practitioner (eg pursuing 'lean manufacturing' in all its aspects)
- Leading innovator (eg new products, designs, processes)
- Quick imitator (eg not first to innovate, but follows successful innovation quickly)
- In an organisation where change to culture/practices is driven by a major customer
- Currently in, or emerging from a recent significant structural organisation change (eg downsizing, rationalising, merger, etc.)
- Feeling the effects of a recent discrete organisation change (eg replacement of CEO, change of government, acquisition, etc.)
- Subject to significant technical change (eg new equipment or tooling, new process or materials used for creation of products or services)
- In a period of sustained organisational growth
- In a period of continued organisational/industry decline
- In a period of organisational consolidation
- Significantly exposed to global markets
- In an industry with significant supply chain management/integration
- Other (please specify)
.....

Section B: Value and use of qualifications

B1 Which of the following list does your organisation consider to be a 'qualification'?

Degrees (including post graduate degrees) conferred by a university or equivalent TAFE, RTO or equivalent and trades qualifications certificates, diplomas, advanced diplomas

Licences, 'tickets', etc provided by non training bodies (eg rigging certificates of competence)

Certificates of attendance or other recognition provided for participation in a course

Industry training awards (eg hospital based nursing qualifications; awards from industrial or professional bodies)

Certificates of school achievement (eg. VCE, Leaving Certificate, HSC or matriculation)

Are there any qualifications we have missed out? (Specify and tick)

If (a) a degree is not considered a qualification:

B1a Why is a degree not considered a qualification?

If (b) TAFE or trades qualifications are not considered a qualification:

B1b Why is a TAFE or trades quals not considered a qualification?

For the remainder of this survey, the term 'QUALIFICATIONS' refers to formal qualifications granted by a recognised educational and training organisation such as a university, TAFE, RTO etc.

B3a The researchers are testing the idea that different categories of workers might have different requirements for skills & qualifications. Is this the case for your organisation? Categories might include managers/professionals/technicians etc or quite different, like on basis of tasks performed, new versus existing workers, high versus low risk or some other factor? How do you differentiate between skills and formal qualifications required?

B3 In your organisation, how important are formal qualifications for the following category of employees? Are they Essential/Important/Not important/Not applicable? If essential, is this because of regulatory requirements, company policy or both?

Managers & supervisors

Professionals

Technical support people (trades staff)

Clerical and administration

Sales and related services

Plant & machine operators and drivers

Labourers (unskilled) workers

Other – if identified in A6

B4 In your organisation, how important are employees' formal qualifications when making the following human resource management decisions?

- To plan for future skill needs of the organisation
- To recruit / select new employees
- To comply with relevant occupational health & safety laws
- To plan training and ensure employee competence
- To make promotion decisions
- To determine levels of remuneration & other benefits
- To promote worker loyalty and commitment and reduce staff turnover
- Are there other types of HRM decisions missing from this list? Specify

B6 (1 & 2.) Research has found that there are a variety of business risks to organisations. Please identify if these are a risk / high risk / not a risk to your organisation?

(3 & 4.) (For high risk) Would you say any of (a) formal education, (b) company training, or (c) experience, is important for managing this risk?

- Non compliance with legislation/government policy/licence requirements (regulatory)
- Insufficient Insurance
- OH&S
- Loss of contract/funding
- Loss of client/customer base
- Loss of core knowledge/skilled personnel
- Quality of Product (or service)
- Obsolete technology
- Professional reputation/standing
- Competitiveness – if identified, explore to see if price, supply speed, quality etc.
- Critical incidents (eg an incident which may close/damage the business)
- Supply chain (eg disruptions to the supply of materials/components etc)
- Failure/absence of critical machines or processes (eg a key machine/piece of plant/process)
- Other

B7a Thinking about the high risk areas you've identified above, do you seek to have more formal or external assessment'' of skills for people involved in these areas? (compared with people in lower risk areas). Formal assessment means externally recognised assessment; for example, through a training organisation. Why would that be?

B7b Do you see formal qualifications as being more important for people handling high risk areas? Why would that be?