# Enterprises' commitment to nationally recognised training for existing workers

Erica Smith

Richard Pickersgill

Andy Smith

Peter Rushbrook

NCVER

## Need more information on vocational education and training?

Visit NCVER's website <http://www.ncver.edu.au>

- ✓ Access the latest research and statistics

- ✓ Download reports in full or in summary

- ✓ Purchase hard copy reports

- ✓ Search VOCED—a free international VET research database

- ✓ Catch the latest news on releases and events

- ✓ Access links to related sites

# NCVER

# Enterprises' commitment to nationally recognised training for existing workers

*Erica Smith*
*Richard Pickersgill*
*Andy Smith*
*Peter Rushbrook*

Charles Sturt University

## Publisher's note

Additional information relating to this research is available in *Enterprises' commitment to nationally recognised training for existing workers—Support document*. It can be accessed from NCVER's website <http://www.ncver.edu.au>.

# Contents

# Tables and figures

## Tables

# Figures

# Acknowledgements

## Research team

(all from Charles Sturt University except where indicated)

Erica Smith, Richard Pickersgill,
Andy Smith, Peter Rushbrook                    Principal researchers

Malcolm MacIntosh (RMIT University)            Two case studies

Tony Bush                                       Draft literature review

John Rosser                                     Data entry and preliminary analysis

Sandra Rowney (Anglia Polytechnic University)   Analysis of qualitative data from questionnaire

Anne Kent                                       Research administration

Lesley Reid                                     Formatting of final report

## Reference group

Jeanette Allen        Service Industry Skills Council

Pam Christie          New South Wales Department of Education and Training

Les Comley            Australian National Training Authority (ANTA)

Steve Ghost           Australian Industry Group

David Graham          Huntsman Chemicals

Keith Harvey          Australian Council of Trade Unions

The research team would like to thank the following people for their assistance with the project: managers and staff at the 12 case study sites, several national and state industry training advisory body/Industry Skills Council directors, state and territory user choice personnel, and particularly Margaret Davidson from the Department of Further Education, Employment, Skills and Training (DFEEST) South Australia, Jeffrey White from ANTA, Bernard Page and colleagues at the Department of Education, Science and Training, the human resource managers who assisted with the piloting of the survey and Charles Sturt University's Research and Graduate Training Office for assisting with time release to carry out the research.

The following people, in addition to members of the reference group, kindly read and commented on the final draft report: Mary Nicolson and Phil Rutherford (Australian Chamber of Commerce and Industry), and Maria Tarrant (Australian Industry Group).

# Key messages

◇ Nationally recognised training has improved the distribution of training within companies, as it tends to be delivered to lower-level workers for whom this may be their first opportunity to access qualifications. It may also increase the incidence of non-accredited training for lower-level workers and improve access to training for part-time and casual workers. In this respect, the implementation of training packages has had a very positive effect.

◇ The industry-endorsed competency standards associated with nationally recognised training are also increasingly being used in human resource procedures and practices, such as performance management systems and the preparation of job descriptions. In some enterprises, the standards are fully integrated into human resource management systems.

◇ Because the recognised training system is complex, a company 'evangelist' is required. The evangelist should have previous knowledge and experience of nationally recognised training. Their job is to persuade management to accept this form of training. This role is different from a more general 'training champion'. If the evangelist leaves before nationally recognised training is fully embedded in the enterprise, then this form of training may disappear.

◇ A number of the regulatory procedures of state accreditation bodies cause concern among enterprises seeking to be registered training organisations.

◇ There may be an argument for governments to use funding to kick-start nationally recognised training in enterprises. While government funding is a critical factor in the initial implementation of nationally recognised training for existing workers, it becomes less critical when this training is embedded within enterprises and the benefits have become apparent.

◇ The ability to customise nationally recognised training is more commonly used by enterprises which are registered training organisations than by enterprises which purchase such training. High levels of customisation may reduce the portability of the skills gained and have the potential to affect the integrity of the qualifications.

◇ There is a need for increased promotion of nationally recognised training throughout Australia. Criticism by enterprises sometimes seemed to result from a lack of understanding or knowledge about the training packages, rather than deficiencies in the packages themselves.

# Executive summary

Research was carried out within Australian enterprises in the second half of 2003 in order to gain a greater understanding of how and why enterprises use nationally recognised training for their existing workers. Nationally recognised training means training based on national training packages or courses/programs that have been formally accredited through state or territory accreditation bodies. Existing workers are those who are not newly recruited from outside.[1] In this study such training includes various levels of the certificates in hospitality delivered to all the food and beverage workers of a hospitality company, and the introduction of call centre qualifications for all customer service operators in a call centre.

The research questions were as follows:

✧ Why do some employers (and not others) use nationally recognised training, either in partnership with registered training organisations or by becoming enterprise registered training organisations? What are the perceived benefits of such training for the enterprise?

✧ What is the nature of the nationally recognised training (generic vs technical; lower level vs higher level; delivery mode)?

✧ What are the perceived benefits for different groups of workers (permanent vs casual; Australian-born vs migrant etc.)?

✧ What are the obstacles to be overcome in the establishment of nationally recognised training? What are facilitating factors?

✧ What are the links between such provision and the availability of government funding?

✧ How have training packages affected the provision of, and attitude to, nationally recognised training in enterprises?

## Research method

The research was carried out in the following ways:

✧ Focus groups were conducted with employers and other industry stakeholders in two capital cities and one rural city.

✧ Case studies were undertaken in 12 enterprises in four states and territories: three enterprises with differing levels of engagement with nationally recognised training in each of four industry areas. The industry areas were: hospitality, manufacturing/process manufacturing, call centres and arts/media.

✧ A survey was conducted of all 195 enterprises which became registered training organisations in their own right (based on the National Training Information Service listing), as was a sample of medium-to-large companies (from the Dun & Bradstreet database) employing human resource managers and therefore might be expected to have some commitment to training. Just over a quarter of enterprise registered training organisations (51) responded, together with 73 other companies. Respondents were divided into three groups: enterprise registered training

---

[1] In cases of high labour turnover; for example, call centres, there is a blurred distinction between existing and new workers.

organisations, enterprises which had purchased nationally recognised training from registered training organisations (termed 'purchasers' in this report) and non-users of nationally recognised training.

The findings of the case studies concurred to a great extent with those of the survey and focus group. However, since they involved the views of line managers, trainers and workers, as well as human resource and training staff, the enterprise case studies provided greater depth. A reference group representing stakeholder groups provided advice at several stages of the project.

# Findings

While to some extent it is difficult to separate training in general from nationally recognised training, the research participants in both the qualitative and quantitative phases of the study were able to discuss 'nationally recognised training' as a specific type of training. Some of the findings relating to the nature of enterprises using nationally recognised training, however, are also findings that might be expected of enterprises that are heavy users of training in general.

Enterprises that used nationally recognised training were likely to:

✧ be large organisations

✧ have large numbers of staff in particular occupations

✧ have significant geographical concentrations

✧ have established training infrastructure and some evidence of a training culture

✧ know a great deal about most aspects of nationally recognised training.

Enterprises that took the 'extra step' to become enterprise registered training organisations were likely to:

✧ have highly specialised skill needs for large groups of workers

✧ be in service sector industries

✧ not be subject to rapid organisational or technological change

✧ not utilise vendor or proprietary training, or training from industry associations to any large extent

✧ involve unions in training decisions

✧ need flexibility in training delivery.

Decisions by enterprises to adopt nationally recognised training were complex and were not once-only decisions. While companies made an initial decision either to become an enterprise registered training organisation or to purchase training from an external registered training organisation(s), every time a new training requirement presented itself, enterprise registered training organisations needed to make decisions afresh about whether to use their registered training organisation status or to seek training externally. Further decisions were then made by all enterprises using nationally recognised training about whether the training should be in the workplace, or (in cases of purchasing) at the registered training organisation premises, and (if in the workplace), whether it should be on the job or off the job. In the final chapter of the report, a model is presented which illustrates these decision-making processes.

The process of embedding nationally recognised training within enterprises is described in the report as a three-phase process of engagement, extension and integration. In order to extend the use of nationally recognised training within an enterprise beyond the initial phase (which often involved mass training of shopfloor workers), training staff needed to be able to sell the concept and use of nationally recognised training to senior managers. The complexity of the vocational education and training (VET) system and the high cost of compliance with VET quality

requirements meant that wide-scale use of nationally recognised training was not a step to be taken lightly. There needed to be a 'VET evangelist' who could persuade management that nationally recognised training would benefit the enterprise as well as individual workers. The success of initial engagement and the availability of suitable nationally recognised training were important factors here. In the 'integrated' phase, competency standards were used as the basis for many human resource management processes, such as performance management and recruitment. The use of nationally recognised training was fragile in the first two phases and could be abandoned if experiences with a partnering registered training organisation were poor, or if the nationally recognised training evangelist left the company. Once nationally recognised training was fully embedded, it was less likely to be abandoned.

The benefits of nationally recognised training could be clearly articulated by training and human resource management personnel. They included:

◇ a structured approach to training and to career progression

◇ the opportunity to integrate training with normal work and to customise training packages to enterprise needs

◇ confidence in the quality of work undertaken by employees and the ability to demonstrate this to external parties

◇ a competitive edge in attracting and retaining staff

◇ access to funding to help cover training costs

◇ the ability to reward and motivate employees and validate their working experiences

◇ a basis for reshaping human resource management systems around competency standards.

There was clear evidence that nationally recognised training was extending the 'reach' of enterprise training to groups of workers who had not previously received structured training and certainly had not previously received employment-related qualifications. This opportunity was clearly related to the availability of training packages covering new industry areas and a broader range of qualifications.

Enterprises reported some difficulties with nationally recognised training, including the perceived complexity of the system and the jargon associated with VET. Purchasers were assisted in their understanding by external registered training organisations (although information provided was not always complete), while enterprise registered training organisations were more likely to know how to get information directly from the Australian National Training Authority (ANTA) or state training authorities. Registered training organisations generally reported unsatisfactory experiences with state accreditation bodies, with many complaints about 'bureaucracy' and 'red tape'. Such experiences appeared to reflect more than the necessarily stringent requirements of the Australian Quality Training Framework. Enterprises and their workers reported problems with training packages and with delivery methods; some workers did not like on-the-job delivery, while in other cases, it suited working environments well.

# Implications

The project findings indicate that nationally recognised training has much to offer enterprises, and that many enterprises take full advantage of the availability of both training packages and government funding to support and extend their training activities. However, there appears to be a need for increased national promotion of nationally recognised training, as not only were some non-users completely unaware of suitable training packages and qualifications, but even those who used nationally recognised training were sometimes unaware of many of the subtleties involved in using packages. Their complaints about nationally recognised training seemed in some instances to be related to a lack of understanding of, rather than deficiencies in, training packages. Increased promotion of nationally recognised training would also assist evangelists for nationally recognised

training in persuading their senior managers to accept nationally recognised training. Promotion of this type of training could include its potential for use in many areas of human resource management.

Nationally recognised training appears to be suited to meeting mass training needs, and these are so vital to enterprise needs that meeting niche training requirements is less important. Niche training needs are less readily met by nationally recognised training but appear to be well served by strategies already well known to enterprises (such as vendor training and proprietary courses).

For enterprise registered training organisations, difficulties with registration and additions to scope of registration could be assisted by a body which deals with applications from enterprise registered training organisations only, or at the very least, by a one-stop shop of information for enterprises wishing to become enterprise registered training organisations or to purchase training from registered training organisations. A disinterested body might be preferable to the current system, where enterprises that are not registered training organisations access much of their information from external registered training organisations whose motivations may be primarily financial.

It is clear that the use of nationally recognised training by enterprises is strongly influenced by availability of funding. However, this study showed that funding could be more closely targeted to the start-up phase, and consideration could be given to tapering off funding once nationally recognised training becomes embedded.

More research is required to examine whether the customisation of qualifications by or for enterprises compromises the integrity of the qualifications. If the training becomes too firm-specific, issues arise, not only about portability of qualifications, but also about the use of government funding.

# Introduction and literature review

This project set out to examine the extent and nature of the engagement of Australian enterprises with nationally recognised training for their existing workers. By nationally recognised training is meant training based on national training packages or courses/programs that have been formally accredited through state or territory accreditation boards. Such training results in qualifications or statements of attainment (the latter certifying competence in one or more units of competency) recognised throughout Australia. As the project was focusing on existing workers (that is, not new entrants to companies), the project was not intended to examine in detail enterprises' use of the national apprenticeship and traineeship system for newly recruited staff. However in practice, the training offered to existing workers was sometimes the same as that offered to newly recruited apprentices and trainees, and so, in some instances, the case studies included examination of the latter as well as the former. In addition, a number of questions in the survey asked newly recruited apprentices and trainees to elaborate on the companies' total training activities.

Training is always important for the purposes of meeting the skills needs of individual enterprises. However, enterprises' engagement with nationally recognised training has further significance as follows.

◇ Public money and publicly developed curriculum are used and therefore there is a legitimate public policy interest in this area, as well as the capacity to influence behaviour through subsidies, availability of learning resources and so on.

◇ Training which is nationally recognised has assured levels of quality and uses up-to-date curriculum developed from competencies suggested by industry stakeholders.

◇ Workers gain nationally recognised qualifications or statements of attainment, increasing the skill levels of the workforce as a whole and enabling easier transfer between companies and between states and territories.

◇ Workers are able to move on to higher-level qualifications, increasing their career prospects.

This introductory chapter traces the development of nationally recognised training in Australia and its use in enterprises. Gaps in the available research and literature are identified. These omissions have provided the impetus for the current study.

## Background and literature review

The period since the latter part of the 1980s has seen significant changes to the nature and operation of the vocational education and training (VET) sector in Australia. This sector has grown considerably, to around 1.75 million participants in 2001 (Smith, E & Keating 2003, p.2) and demand from industry has been a prime mover in that trend. It has been argued that the national training system has become more flexible through enhanced choice processes, greater flexibility in delivery methods and changed industry advisory arrangements (Australian Chamber of Commerce and Industry 2002a).

### Role of industry in setting VET agenda

An important feature of the training reforms has been a relative shift in importance away from training institutions towards industry; VET has moved significantly closer to becoming an industry-

driven system, whereby industry influence and responsiveness are fundamental (Ferrier 2003). To a certain extent, VET has also moved away from a strong focus on entry-level training issues to an increased emphasis on training for existing employees.

An increased level of industry awareness of VET has been brought about through events and programs such as the high-profile National Training Awards and a variety of national marketing campaigns initiated by the Australian National Training Authority (ANTA) and the Commonwealth Department of Education, Science and Training. The current situation is far removed from the findings of studies even fairly recently, such as the ANTA-commissioned research into industry training studies (Smith, A. et al. 1995). That study into the finance, insurance and retail industry reported rather bleakly on the 'low level of awareness of the national training reforms' at that time. However, at the same time, there were already pockets of high engagement with the accredited training system, particularly in food processing and vehicle manufacturing (see for example, Sefton, Waterhouse & Cooney 1995).

Industry training advisory bodies have been important players in the national VET system for many years, providing a link between industry and the VET sector (ANTA 1995). Until recently, 23 national industry training advisory bodies and six other recognised bodies covered most industry areas and were each managed by boards consisting of representatives from industry, unions and other stakeholders. In some instances, at the state and territory level, industry training advisory bodies matched the industry area of the national industry training advisory bodies, but in others, were aligned differently. In smaller states and territories there were generally fewer industry training advisory bodies with wider industry coverage. In 2002, in separate events, Commonwealth funding for state and territory industry training advisory bodies was withdrawn and ANTA announced the replacement of national industry training advisory bodies with a smaller number of industry skills councils. Several submissions to a 2003 Senate Inquiry on Skills expressed concern about the possible effects of both of these developments (Senate Employment, Workplace Relations, Small Business and Education References Committee 2003).

## Registered training organisations and nationally recognised training

The opening-up of the accredited VET training system has seen movement from a near monopoly by the technical and further education (TAFE) system, the public provider, to one in which over 4000 registered training organisations exist (Brennan & Smith 2002). There is therefore a shift in the balance of public funding from public to private training providers, partly as a result of user choice in the funding arrangements for the rapidly expanding apprentice and trainee training market. Currently, 400 000 Australians are engaged in apprenticeships and traineeships, of whom a proportion are newly recruited workers, including school leavers. However, a large number are existing workers who have been offered the opportunity to gain a qualification through training, often on the job.

A 1995 study (Smith, E et al. 1996) found industry involvement and consultation in course development was largely the preserve of public providers such as TAFE. This has changed considerably in the intervening years due to the introduction of training packages which provide a national framework for curriculum for all providers delivering nationally recognised training. Training packages consist of national industry competency standards (units of competency) gathered into qualifications at various levels, together with assessment guidelines and, usually, a variety of support materials. If learners do not require complete qualifications, nationally recognised statements of attainment may be issued for one or more units of competency.

By involvement in the design and review of training packages, through participation in national steering committees and consultations, industry representatives of various types have had a more prominent role in determining the nature of the VET curriculum. Moreover, through provisions built into training packages, industry has also determined that much VET must be assessed in workplaces (Smith, E & Keating 2003, p.172). There has been considerable controversy about the educational efficacy of training packages (some of these debates are summarised in Smith, E 2002),

but a current high-level review of training packages by ANTA is uncovering widespread support for the general concept. Some opposition to training packages has arisen from confusion about their role. A similar claim was made in England at the time of introduction of the similar (although not identical) system of National Vocational Qualifications (NVQs) (discussed in more detail below): 'It is essential to grasp one key point: NVQs have nothing whatsoever to do with training or learning programs. The key is *assessment of performance*' (Fletcher 1991, p.26).

There are now around 80 training packages, many covering industry areas which previously had no access to nationally accredited training. Training packages and the ability of enterprises to gain registration as registered training organisations make it possible for enterprises to deliver nationally recognised training to their staff in the workplace using their own staff. Moreover, Boorman (2001) notes that units of competency are styled and written such that workplace delivery and assessment tends to be more straightforward than delivery within an educational institution. Down (2002) in a study of the impact of training packages found some evidence of the ways in which enterprises were using them. These included the introduction of training in areas that had not previously had training, a growth in partnerships between enterprises and registered training organisations and increased contextualisation of programs for enterprises. However, the findings were drawn from a small number of industry participants.

## Importance of training in enterprises

Various factors have led industry to place increased importance upon training its workers. Andrew Smith (2003) sees these training drivers as being workplace change, new technology and quality assurance, while a study by Allen Consulting (1999) identifies enterprise strategies which include multi-skilling, greater automation and workforce restructuring. The Australian Chamber of Commerce and Industry (2002b) highlights the strategic intent of industry with its focus on adaptation, cost reduction, increased productivity and new markets, products and/or services, and Dawe (2003) highlights competitive advantage via production efficiencies and innovation. In his study of the Australian Bureau of Statistics (ABS) Training Surveys, Long (2002a) also sees a shift in occupational structures as a result of globalisation and technological change creating a need for higher skill levels. An ageing workforce increases the need for ongoing skills development (Smith, A 1999). Companies that have a clear strategic direction have been found to utilise training effectively to underpin their development (Smith, A et al. 2002; Allen Consulting Group 2004).

Similar processes have occurred in other countries. As reported by Swailes and Roodhouse (2003), England also recognised the need to raise levels of workforce competence to maintain competitiveness and technological and innovation levels, and in the early 1990s, this resulted in the introduction of National Vocational Qualifications (NVQs) (Fletcher 1991), a qualification system somewhat similar to, and pre-dating, Australian training packages. These were to meet what the Confederation of British Industry saw as a 'skills gap' by comparison with the rest of Europe (Rosenfeld 1999) and thus were 'sold' to industry as a means of improving profitability and enhancing economic performance (Matlay 1999).

Various studies (for example, Doucouliagos & Sgro 2000; McDonald & Fyffe 2001) have shown that training produces significant financial returns on investment to companies. While there is an increasing amount of training within enterprises (Ridoutt et al. 2003), training is not evenly distributed either among companies or among workers. It is generally agreed that there is proportionally more formal training in larger than in smaller enterprises, and that it is unevenly distributed across industries. Permanent staff are more likely to receive training than are casual employees (Vandenheuvel & Wooden 1999). Employer expenditure on training disproportionately favours managerial and professional employees who already possess post-school qualifications (McKenzie & Long 1996). Nor is this skewed distribution of training expenditure a purely Australian phenomenon; it tends to be repeated throughout the developed world (Billett & Smith 2003).

## Partnerships and enterprise registered training organisations

Some aspects of skill development needs are difficult for enterprises or training providers to meet by themselves. Long (2002b) notes that the increased pace of technological and organisational change creates demand for new skills which industry and training providers both struggle to meet. Niche training markets, fee-for-service courses and enterprise-specific courses have emerged, as Mitchell's (2001) report found.

One way in which industry can access and tailor nationally recognised training is through partnership arrangements with registered training organisations. A recent study by Callan and Ashworth (2003) looked at a wide range of issues relating to industry and VET partnerships. While heavily skewed to public institutions (48 of the 52 respondents), their findings provide insights into this area, particularly with regard to the process of partnership arrangements. The partnering process showed an even distribution across three types of partnering—the pooling of existing resources, joint ventures, and partnerships based on training model enhancements. They found that industry and employers felt that they benefited from enhanced industry capacity to focus on their core business, as well as developing mechanisms to assist in dealing with current and/or anticipated skill shortages. Industry partners gained greater access to funds for accredited training and this, along with enhanced work practices, generated workforce efficiencies and effectiveness. Employees undertaking such training claimed that they gained an improved understanding of their own organisation's policies, values, standards and practices. Registered training organisations are now providing many other 'intermediary services', as well as training and assessment to enterprises. These include: navigation of the VET system; liaising with state and territory training authorities; and linking enterprises with other bodies (Gientzotis Consulting 2003, p.1). Training providers see partnerships with enterprises, as not only revenue-enhancing, but also as giving their staff stronger industry links and 'building additional capabilities in their staff' (Callan & Ashworth 2003).

Research shows some dissatisfaction with training providers in partnership arrangements. Long and Fischer (2002), for example, report on an automotive component manufacturer which became a registered training organisation itself because of frustration with training providers. Burke et al. (1998) found that many enterprises experienced deficiencies in meeting new skill requirements through institutional training providers. Similar concerns were echoed by employers in the Quay Connection et al. employer survey commissioned by ANTA in 2000 (Quay Connection et al. 2000). Andrew Smith et al. (2003) also report enterprise concerns and a lack of engagement with VET.

Dumbrell (2003) and Callan and Ashworth (2003) see partnerships as a means of allowing smaller enterprises access to the VET system, which has often been depicted as dominated by large businesses. However, small companies which are developing innovative products and services have found that VET providers are not always able to meet their training needs, particularly in relation to new technologies (Misko & Saunders 2004). Misko and Saunders (2004, p.5) suggest that registered training organisations should be able to meet this need better by working in close collaboration with the companies and with the vendors selling to the companies.

As mentioned above, some enterprises have chosen to become registered training organisations in their own right. In July 2003 there were 224 registered training organisations recorded as enterprise registered training organisations on the National Training Information System (<http://www.ntis. gov.au>). On registration or renewal of registration, these organisations self-select the type of registered training organisation, and the choice is confirmed by the state registration board. A fairly large body of literature has been produced, consisting of case studies of enterprise registered training organisations; for example, about Goodman Fielder (*Australian Training* 2001). In general, this literature is descriptive rather than analytical, proclaiming the beneficial effects of becoming a registered training organisation for the workers and for the business. Erica Smith and Richard Pickersgill (2003) provide a small contribution to more critical literature, with their discussion of the operations of an enterprise registered training organisation in a university.

# Challenges and benefits of involvement with nationally recognised training

There are substantial challenges in the engagement of enterprises with accredited training. There appears to be a major problem, as Ferrier (2003) and many others have found, in the complexity of the VET system and how newcomers might successfully navigate it. An ANTA publication (ANTA 2002c) attempts to simplify the system for employers. There are also issues raised concerning the likely pedagogical efficacy of all offerings from such a diversity of VET providers and the perception that quality may have been compromised in the large expansion in the latter part of the 1990s. These issues were fully aired in the 2000 Senate inquiry into the quality of VET (Senate Employment, Workplace Relations, Small Business and Education References Committee 2000). In response to some of these concerns, regulations dealing with training provider registration have been tightened as part of the Australian Quality Training Framework, which was introduced in 2002. While improving quality, they have required additional compliance activities and costs for registered training organisations, including enterprise registered training organisations (Brennan & Smith 2002).

Some access and equity issues are raised by the delivery of nationally recognised training in enterprises. TAFE providers have traditionally supplied extra support for equity groups, such as non-English speaking background people, but private providers have generally not been as well placed to do so (Volkoff & Golding 1998). The new standards for registered training organisations, introduced as part of the Australian Quality Training Framework, have required all of these organisations to show evidence of support for equity groups. Enterprise providers in fact are often highly familiar with the need to support disadvantaged learners. Schemes such as the Workplace English Language and Literary program (WELL) have been supporting workers in literacy training for many years (Millar 2001). A broader equity issue is that, by definition, training provided by enterprise registered training organisations, or to workers in enterprises by partnered registered training organisations, is only available to those in work, not those seeking work or seeking to change jobs (Down 2002). For this reason the 'de-institutionalisation' of training is sometimes criticised (Solomon & McIntyre 2000).

There will inevitably be differences between what the VET system can provide and the types of training preferred by enterprises. As the Allen Consulting Group (2004, p.8) states, enterprises prefer training that is enterprise-specific, work-based and largely directed by the enterprise. Research with ten large companies found that their senior training staff believed that the VET system did not service 'the future complex skill development needs of large enterprises' (Allen Consulting Group 2004, p.11). However, should the delivery of nationally recognised training become more tailored to enterprise needs and wishes, there may be over-contextualisation which reduces the transferability of the skills and knowledge (Smith, E & Keating 2003, p.168; Misko 2001). This issue appears as yet unexplored in the empirical literature. As qualifications are nationally recognised, there is a public interest in the transferability of qualifications and skills. This is especially so where public funding is accessed for training delivery. Public funding of enterprise training is a contested issue, but is carried out in many countries, including the United States (Moore et al. 2003). The tension between what companies might like and what it is appropriate for a largely publicly funded system to provide lies at the heart of the use of nationally recognised training by enterprises.

There are many additional benefits available to enterprises through the use of nationally recognised training. There is the option of utilising competency standards as a basis for training but not awarding qualifications. This option was explored, for example, in a medium-sized photonics company in 2000–01, although the attempt was abandoned due to a corporate takeover (Barber 2003). As well as skill development, recognition of prior learning/current competence is particularly applicable to enterprise settings because of the availability of evidence about employees' performance and the ability to develop standardised tools for large numbers of workers in similar jobs. It has been noted by Blom et al. (2004, p.9) that, despite widespread use of recognition of prior learning/ recognition of current competencies in enterprises for a variety of purposes, most of the available published literature on the topic relates to institutional rather than enterprise use. Blom et al.'s

(2004) own research in six enterprises (all but one of which were registered training organisations) indicated that these recognition processes were firmly embedded in these enterprises' training structures and found a generally high level of understanding and appreciation by employees.

The nationally recognised training system can have wider benefits for enterprises beyond training and assessment. In the early days of the development of competency standards, a process managed in the early 1990s by the National Training Board, there was recognition of the possible use of standards for various human resource management functions. Similarly in England, it was stated at the outset that National Vocational Qualifications could be used for 'performance appraisal, manpower planning, selection and recruitment, multiskilling and revision of job descriptions/ functions' (Fletcher 1991, p.144). While competency standards have certainly been used in Australia for the purposes of setting pay levels, their wider use in human resource management has not been well documented.

## Funding incentives

There are several government incentives for enterprises to train their workers. Such incentives are increasingly being tied to nationally recognised training. For example, Workplace English Language and Literacy program funding is generally linked to units of competency (<http://www.dest.gov. au/ty/well>) and Farmbis funding in some states is only available for training that is nationally recognised. By far the largest source of funding for nationally recognised training is New Apprenticeships funding. There are two sources of New Apprenticeships funding: Australian Government employment incentives, and 'user choice' funding which is provided by states and territories for the training given to apprentices and trainees (Australian Chamber of Commerce and Industry 2002c). Additional funding is also available for equity groups.

Employment incentives are only available for existing workers (as opposed to new recruits, where there are no such restrictions) if the qualification of the apprenticeship or traineeship is Australian Qualifications Framework (AQF) level III or above, and if the designated worker has no Australian Qualifications Framework qualification younger than seven years. Individual decisions are made by state officials in the Department of Education, Science and Training.[2] The incentives are paid at commencement and completion of the apprenticeship or traineeship.

User choice funding regulations vary quite significantly from state to state, although all states and territories adhere to the same nine underpinning principles (ANTA 2003). States and territories tend to operate 'preferred provider' lists (Davidson 2004) meaning that enterprises cannot necessarily contract with any registered training organisation they wish. In Queensland there are lower payments for enterprise registered training organisations than for other registered training organisations because, it is argued, enterprises have lower infrastructure costs. User choice payments may vary with mode of delivery and may be made on a rate per hour or as a flat rate. In general, states and territories have fairly restrictive arrangements for user choice funding for existing workers, apart from some provisions for workers from equity groups or young workers, although some states allow payments for certain industries where they wish to create a training culture and at least one state (Queensland) allows payments for existing-worker apprenticeships but not traineeships. New South Wales has no provisions whatsoever for existing worker funding. There are generally minimum-hours rules about part-time workers' eligibility.[3] There has been some evidence of inappropriate accessing of government funding in traineeships, which has been well documented in reviews of traineeships in several states (for example, Schofield and Associates 2000). However, a review of traineeships in abattoirs, an area seen to be of risk in New South Wales, revealed that generally, traineeship processes were appropriate, although there was some room for improvement (State Training Services 2003).

Another form of government subsidy for nationally recognised training for enterprises is access to government-funded places for their workers within registered training organisation training

---

[2]  Information gained from Department of Education, Science and Training official, January 2004.
[3]  Information from states and territories gained from telephone consultations, December–January 2003–04.

programs. In TAFE these places are sometimes known as 'profile places'. Such arrangements make training very cost-effective for enterprises.

# Research gap

What is missing from the body of research into enterprise training is rigorous empirical research into the use of nationally recognised training by enterprises. Callan and Ashworth's work (2003), for example, focuses on the process of partnership rather than on the uses to which the partnerships are put, or the reasons why enterprises entered into them. Most of the empirical literature on the topic focuses on single case studies, which report success stories of single enterprises utilising particular qualifications for their workers. A framework is needed to describe and examine such cases. An overview of the type of training provided, and to whom, is timely, as well as an examination of the factors facilitating and providing challenges to the establishment of nationally recognised training within enterprises.

# Research questions

The research questions which the study set out to answer were as follows:

✧ Why do some employers (and not others) use nationally recognised training, either in partnership with registered training organisations or by becoming registered training organisations? What are the perceived benefits of such training for the enterprise?

✧ What is the nature of the accredited training (generic vs technical; lower level vs higher level; delivery mode)?

✧ What are the perceived benefits for different groups of workers (permanent vs casual; Australian-born vs migrant etc.)?

✧ What are the obstacles to be overcome in the establishment of accredited training? What are facilitating factors?

✧ What are the links between such provision and the availability of government funding?

✧ How have training packages affected the provision of, and attitude to, nationally recognised training in enterprises?

The research was carried out through 12 case studies in enterprises, a survey of all enterprise registered training organisations and a sample of enterprises that were not registered training organisations, and employer focus groups in three locations.

The project necessarily concerned itself primarily with larger enterprises, as these are the most likely to have formal training structures and therefore to have an interest in nationally recognised training. However, this restriction does not deny the importance of training in small enterprises (for example, Billett, Ehrlich & Hernon-Tinning 2002), nor the importance of small enterprises' accessing apprenticeships and traineeships for their newly recruited workers.

# Structure of the report

Following the introductory chapter and a description of the research method, the following two chapters report on the findings of the qualitative and quantitative phases of the study. The findings are discussed under the headings of the research questions. The final chapter brings together the findings from the different phases of the study and suggests some emerging issues requiring policy attention. The appendices comprise the reports of the 12 case studies (appendix A), the protocols used in the case studies (appendix B) and the two questionnaires (appendix C). These support documents can be accessed from NCVER's website <www.ncver.edu.au>.

# Research method

The study utilised a number of qualitative and quantitative methodologies, ensuring that the findings were well triangulated (Huberman & Miles 1998). A survey was utilised to gain an overview of current practices, and a case study methodology was used to understand the phenomenon in context, and to report on the perspectives of different participants (Yin 1994). The project began with focus groups, which are generally recognised as being useful for exploratory purposes (Fontana & Frey 1998).

## Focus groups

Three focus groups of employers and personnel from industry associations and industry training advisory bodies were held in Melbourne, Sydney and Wagga Wagga. In all, 13 organisations were represented in the focus groups, some by more than one person. These focus groups identified the major issues and suggested case study sites. Focus group members were helpful in providing comments on the draft survey instruments and, in some cases, piloting them in their own organisations.

## Case studies

Case studies were carried out between October and December 2003. Case study sites were chosen in conjunction with national and state industry training advisory bodies and the reference group, and for budgetary reasons, were restricted to four state and territories. Four industry areas—hospitality, manufacturing, arts/media and call centres—were selected to represent diverse industry sectors and training cultures. In each industry area, three enterprises were visited: a registered training organisation, an organisation that offered nationally recognised training through registered training organisation(s), and one that offered none or virtually no nationally recognised training.[4] The aim of these 'trios' of case studies was to try to identify differences between companies with different levels of engagement with nationally recognised training. The enterprises visited for the case studies are listed in table 1.

In some cases more than one site was visited. Interviews were carried out with senior line managers, human resource managers, departmental managers, training staff, workers at different levels within the organisations, and union representatives. The case study protocol is located in appendix B. In some cases; for example, the smaller companies where not all of these roles were represented, fewer interviews were carried out. In most instances, interviews were tape-recorded, with permission, and transcribed.

Case studies were written up individually (appendix A). In all cases, pseudonyms were used for staff members, and, where requested, pseudonyms were used for the organisations. A cross-case analysis was carried out (Yin 1994) which comprises, together with the focus group findings, the next chapter of the report.

---

[4] In the call centre industry it was not possible to find a non-user, and so two enterprises with partnerships with registered training organisations were studied.

**Table 1:    Case study enterprises**

| Industry area | Name of organisation | Engagement with nationally recognised training | State/territory |
|---|---|---|---|
| Hospitality | Riverside Sports Club* | Enterprise registered training organisation | NSW |
| | Capital Clubs* | Partnership with registered training organisation(s) | ACT |
| | Accommodation Services* | Non-user | NSW |
| Manufacturing/ process manufacturing | Quality Chemicals* | Enterprise registered training organisation | Vic |
| | Bluescope Steel | Partnership with registered training organisation(s) | NSW |
| | Harmonics* | Non-user | NSW |
| Arts/media | ABC | Enterprise registered training organisation | NSW |
| | Adelaide Festival Centre | Partnership with registered training organisation(s) | SA |
| | Network TV* | Non-user | ACT |
| Call centres | Sing Tel Optus | Enterprise registered training organisation | NSW |
| | Centrelink Call | Partnership with registered training organisation(s) | ACT |
| | Foxtel | Partnership with registered training organisation(s) | Vic |

Note:    * Pseudonym employed at the request of the organisation.

# Stocktake of user choice arrangements

It was realised that a greater understanding of state and territory user choice policies was needed in order to evaluate the funding issues underpinning the decisions made by enterprises about the use of New Apprenticeships for existing worker training. During December 2003 contact was made with states and territories to identify their policies and practices. This information is included in the first chapter of the report.

# Survey

The survey was devised to determine differences between medium-to-large enterprises that were enterprise registered training organisations, those which used nationally recognised training in conjunction with a registered training organisation, and those which did not use nationally recognised training. ANTA provided the research team with the national database of enterprise registered training organisations (from the National Training Information System[5]), and we used the Human Resource Manager, a subset of the Dun & Bradstreet companies database, to capture companies of a reasonable size that would have at least some interest in training. The databases were cross-checked and duplicates were removed.

The survey questions were derived from the literature, issues arising in the focus groups, team members' previous research and industry experience and advice from the reference group, staff from

---

[5]   The National Training Information System had 224 registered training organisations listed as enterprise registered training organisations but inspection of the list suggested that some had been mis-classified. Phone calls to the 'doubtful' organisations confirmed this and a number were removed from the list. Three doubtful organisations could not be contacted and these were also removed. One hundred and ninety-five remained. The National Training Information System was provided with a list of the registered training organisations we had removed, as were two state training authorities who had requested this information.

the Department of Education, Science and Training and from the Australian Bureau of Statistics Statistical Clearing House.

Slightly different questionnaires were developed for enterprise registered training organisations and for enterprises that were not registered training organisations. A large number of questions (over 30) were common to both. There were up to 59 questions altogether, depending on the type of organisation. The questionnaire for enterprises that were not registered training organisations had different strands of questions from those which used nationally recognised training and those which did not. The questionnaire contained five main sections:

1   About your organisation and its staff

2   About your organisation's use of apprenticeships and traineeships

3   About your organisation's training structures and practices

4   About your involvement with nationally recognised training (part of this section was for users and part for non-users, as well as six questions for all respondents)

5   About your experiences as a registered training organisation (enterprise registered training organisation questionnaire only).

Copies of the questionnaire can be found in appendix C of the support document, together with a detailed explanation of the sampling and data collection techniques. The survey contains a number of open-ended questions requiring qualitative responses, as well as closed questions inviting selection of one or more responses.

In November 2003 questionnaires were sent to twice as many enterprises that were not registered training organisations (392) as to enterprise registered training organisations (195), because a more favourable response rate was expected from enterprises which were enterprise registered training organisations than from those which were not. A sample was created for the enterprises that were not registered training organisations by alphabetically sorting the list according to company name and then taking every eleventh entry, beginning with the first. After sending an information/advance notice letter to each of the companies on the two lists, we removed any companies which had either requested this, or whose letter had been returned marked 'return to sender'; in the case of enterprises that were not registered training organisations, such companies were replaced by the companies immediately below them on the original database. The questionnaires were then sent out. To improve response rates, questionnaires for enterprises that were not registered training organisations were later sent to replace more which had been 'returned to sender'. After processing those questionnaires received, a further 25 were sent to enterprises that were not registered training organisations; these were selected by taking every eleventh company starting at the second from the top of the original list (where this company had already been contacted as a replacement, the next one below this was substituted). Follow-up telephone calls were made to a small number of enterprise registered training organisations who had not yet responded. Additional enterprises that were not registered training organisations were also given the opportunity to complete the questionnaire by telephone—these were taken from a list of the first 90 companies which had not already been sent the questionnaire. Three days were spent on this activity but only an additional three responses were elicited, so this attempt was abandoned.

We were aiming at a 40% response rate from enterprise registered training organisations and a 20% response rate from enterprises that were not registered training organisations. In fact a 26.2% rate was achieved from the enterprise registered training organisations and an 18.6% rate from the enterprises that were not registered training organisations. These response rates are well within the acceptable range for a mail survey, and although below what were hoped for, were probably as much as could be expected, considering the length of the survey. However, it needs to be acknowledged that any conclusions drawn from the quantitative phase of the study would have been stronger with a better return rate.

Of the surveys returned from enterprises that were not registered training organisations, around half of the companies used nationally recognised training and around half did not. Therefore, in reporting the results, the enterprises could be readily and fairly evenly divided into three groups:

✧ enterprise registered training organisations (51)

✧ enterprises that were not registered training organisations which had used nationally recognised training within the past two years (34)

✧ enterprises that were not registered training organisations which had not used nationally recognised training within the past two years (39).

Frequency tables and cross-tabulations were produced from the data.

The qualitative comments were tabulated by type of enterprise and sorted into broad categories of response. Findings from the survey are presented in the second to last chapter, although space precludes reporting on all of the data.

## Reliability of findings

While the survey response rates were not large as we had desired, there was considerable agreement between the findings from the qualitative and quantitative phases of the study, suggesting that the findings were reliable, or 'trustworthy' (Lincoln & Guba 1985). The enterprise case studies provided greater depth, since they involved the views of line managers, trainers and workers, as well as those of human resource and training staff.

Further validation was carried out by the project reference group and by other stakeholders who volunteered to read and comment on the draft final report.

# Findings from the case studies and focus groups

In this chapter findings from the qualitative phase of the study are discussed using the project's research questions as a framework. The findings are drawn from three focus groups undertaken in the initial stages of the project designed to inform the later case studies, and from 12 case studies. The focus groups consisted of a range of employers and were held in Sydney, Melbourne and Wagga Wagga. The 12 case studies were carried out in four industry areas—hospitality, manufacturing, arts/media and call centres. In each industry grouping (with the exception of call centres, where it was not possible to find a call centre that did not use nationally recognised training), there were three cases—one enterprise registered training organisation, one enterprise which carried out nationally recognised training in partnership with a registered training organisation, and a non-user of nationally recognised training. The comparison between registered training organisations, other users of nationally recognised training and non-users of such training proved very instructive in the qualitative phase of the project and enabled the research team to draw some useful conclusions which, in general, supported the findings from the employer survey.

It is important to note that, although the focus in the project was on the training of existing workers, the case studies showed that the distinction between existing and new workers is not as clearly defined at the enterprise level. This was particularly true in the case of the call centre case studies. In all three of the call centre enterprises, labour turnover was very high, in the order of 30–40%. In this situation, the majority of the workforce of an enterprise changes within a few years. The average job tenure of workers in such enterprises may be as low as 18 months. Thus, for the enterprise, there is little distinction between new workers and existing workers. In the call centre case studies, as a result, the focus of the research was on both new and existing workers.

## Why do some employers (and not others) use nationally recognised training? What are the perceived benefits of such training for the enterprise?

A high-volume training requirement often appeared to provide the impetus for many organisations becoming involved with nationally recognised training. However, in many cases, organisations often began to use nationally recognised training more widely after the initial success of such training at the operational level. At Capital Clubs, for example, the human resource manager was keen to extend nationally recognised training to cover many of the training requirements of the clubs as a whole, including business administration, frontline management and assessment and workplace training. At the ABC, the use of nationally recognised training was being extended to cover retail employees in the ABC shops and to managers through the frontline management package. A similar approach was taken at SingTel Optus and at Quality Chemicals. For organisations which became involved in nationally recognised training, it appeared that the benefits of nationally consistent training delivered mainly on the job became visible for other groups of employees, and the companies began to implement the system to cover the entirety of their major training needs. In these cases, organisations became, as it were, converted to nationally recognised training and refashioned their entire approach to training provision. Thus organisations such as SingTel Optus, the ABC and Centrelink Call had moved away from a training model based on the provision of in-company, often off-the-job training to one based on a brokering function where the

training specialists acted as brokers for the delivery of nationally recognised training rather than as deliverers of training.

In some cases, this process of conversion had led organisations not only to re-engineer their training provision, but also to integrate nationally recognised training into their human resource management systems at a more general level. In these instances, enterprises realised that the competency standards contained in training packages could be used effectively in other aspects of their human resources functions, especially in recruitment, career planning and performance management. Perhaps the clearest example of this integration of nationally recognised training into human resource systems occurred at SingTel Optus. Here the company had quickly realised the benefits of using nationally recognised training and training packages in its other human resource operations. Thus the competency standards in the relevant training packages were used as the basis of the performance management system, regulating the performance of employees in the call centres. Nationally recognised training had become embedded in the continuous feedback processes that characterised the performance management system and played a critical role in the improvement of employee performance. The company was also using training package units of competency to enhance its career development structures for managers. As one manager at the company put it:

> Where we are now leading to is … really focusing on career development. And we're using qualifications to support that progression. So they [qualifications] are becoming more important because they are a tool for career progression and the competency standards are being used to identify minimum standards. They are also being used in job descriptions to identify the core skills and knowledge that people need to know. So we're using it for more than just training.

Although this integration of nationally recognised training with human resource management was not uniformly applied across the case study companies, many of the case study organisations explained their use of such training in terms of good employment practice. Nationally recognised training was often seen by employers as a means of promoting their enterprises as 'employers of choice', especially in tight labour markets and workplaces with high labour turnover such as call centres or hospitality. By way of contrast, in one case (Capital Clubs), it was hoped that nationally recognised training would facilitate labour turnover by providing longer-serving staff with qualifications appropriate to their pay levels and thus enabling them to seek work elsewhere, opening up career structures to junior staff and generally improving labour flexibility.

Employers and unions often believed that nationally recognised training facilitated 'win-win' training outcomes: for employers training was delivered flexibly and efficiently, and for workers training outcomes led to a nationally recognised and transferable qualification. As one manager put it:

> Senior managers had to make a decision whether they wanted to keep it [nationally recognised training] or not. So they made a decision that they wanted it because we provided our people with a qualification and it also supported career development. That was the main reason they kept it, regardless of the funding, to differentiate us, to provide people with that development.

The criticism most often articulated by managers in the case study enterprises about nationally recognised training was the rather general nature of the training. This might be expected as national training packages are created for the use of an industry or an occupation as a whole. They are not, except in the case of enterprise training packages, specifically tailored to the needs of any one organisation. There was therefore ambivalence in the attitudes of organisations towards nationally recognised training. On the one hand, nationally recognised training was valued because it provided a national benchmark and set of standards against which all people could be trained in a consistent manner. This often suited the needs of senior management in organisations where high-volume training had to balanced with the need to ensure that all employees were being trained to a similar level of competence. On the other hand, nationally recognised training often did not address the

nuances of skills that might be required by one company. In this case, middle managers were often the most vocal in their objections to the perceived general nature of nationally recognised training. As one call centre manager put it:

> In some areas it works and in some areas it doesn't. At the moment we get the competencies that we rate our reps against in the traineeship. They don't necessarily mirror what they are expected to do in their role.

# Non-users of nationally recognised training

Companies not using nationally recognised training outlined a number of reasons for their reluctance to participate. These can be divided into intrinsic reasons related to factors shaped by the nature of the enterprise, and extrinsic reasons shaped by the enterprises' perceptions of what nationally recognised training had to offer.

Intrinsic factors included the rapidly changing nature of work and technology, making, in the opinion of those interviewed in the case studies, nationally recognised training too slow and unresponsive, and leading to the development of enterprise-specific training. Moreover, in some cases there was little or no tradition of training in the particular industry. High occupational diversity created limited capacity for nationally recognised training which seemed to be better suited to companies where large numbers of people performed a limited range of jobs. There were also some idiosyncratic features; for example, Accommodation Services was part of a university and was able to access some training free of charge through the parent organisation, which at the time of the case study was not nationally recognised. In another example, Network TV employed a large proportion of graduates, limiting the scope for the use of nationally recognised training, since the graduates already possessed a great deal of the required skills and knowledge. The availability of high-quality proprietary or commercial training courses also provided a disincentive for enterprises to use nationally recognised training.

Extrinsic factors relating to the nature of nationally recognised training included a reluctance for enterprises to expose themselves to potential government interference, a lack of systematic knowledge of nationally recognised training, a perception that such training was too complex, or where its use was contemplated, the perceived or actual lack of an appropriate training package. Management at Network TV for example, was unaware of the Film, Television, Radio and Multimedia Training Package. This last point confirms the findings of the case studies: that a critical element in the use of nationally recognised training is the presence of a training manager or other manager with specialist knowledge of the VET system. In some of the smaller non-user case studies such as Harmonics, the lack of a specialist training officer was also a barrier to the take-up of nationally recognised training.

Harmonics was a non-user which achieved increased workplace efficiencies, firstly through attention to production rather than training innovations. Competitive advantage was maintained, for example, through standardising machine-cutting procedures and eliminating marginal product lines rather than introducing new products, skills or equipment. Within this context, consequent training responses tended to be enterprise-specific. In addition, the supplier and Harmonics arranged training on site and in the United States. In this case, rapid changes in the industry and market tended to move ahead of the VET sector's capacity to respond either through training provision or relevant products.

Industrial relations arrangements seemed to be of importance in the success of nationally recognised training in enterprises. The use of nationally recognised training may have been inhibited in workplaces governed by awards rather than enterprise bargaining agreements, although there was not enough evidence to make this point strongly. The ability to link qualifications to pay levels made nationally recognised training attractive where there were enterprise agreements. In workplaces governed by awards, the human resource function tended to be more focused on

industrial issues rather than on development issues. Unions often emphasised the importance of placing training provisions within enterprise bargaining agreements, particularly in relation to financial and career rewards leading from the satisfactory completion of nationally recognised training programs.

There was no organisation which was completely without engagement with nationally recognised training. All three non-users employed apprentices and/or trainees as new workers, and also used short programs such as Responsible Service of Alcohol and occupational health and safety courses for their staff. However, use of these aspects of nationally recognised training did not necessarily seem to lead to any greater engagement for existing workers.

# The experience of being a registered training organisation

The requirement to train in highly specialised fields where there was inadequate training provision drove some enterprises to establish their own registered training organisations. For example, Quality Chemicals chose this path after local registered training organisations, in particular TAFE institutes, were unable to provide the required customisation or flexibility of delivery. Once nationally recognised training was established, however, Quality Chemicals decided to opt out of its registered training organisation status. In this case, being an enterprise registered training organisation seemed to be a means of detailed learning about the use of nationally recognised training enabling the company to understand its nationally recognised training needs better and negotiate them with an enterprise registered training organisation. Thus the company was better placed to understand its training needs and negotiate them with another registered training organisation (in this case, a TAFE institute). Other large organisations, such as SingTel Optus, developed and continued to maintain their own registered training organisations. Optus College provided nationally recognised training across the entire organisation and had a deeply entrenched training culture.

In large organisations, not all parts of the organisation had access to registered training organisations. The Westernport plant of Bluescope Steel, for example, remained a registered training organisation, while the Port Kembla plant abandoned its former registered training organisation status in favour of a partnership arrangement with Ballarat University. These different arrangements were in response to the differing industrial relations climates at the two plants, as well as the skills profiles of the respective workforces.

Enterprise registered training organisations often partnered with other registered training organisations to deliver certain forms of nationally recognised training. Thus there was a blurring of the distinction between enterprise registered training organisations and enterprises in partnership with registered training organisations. This was the case at Quality Chemicals where staff from an external registered training organisation spent considerable time on site working with enterprise staff. In another example, Centrelink was a registered training organisation but Centrelink Call, a part of Centrelink, partnered with other registered training organisations for almost all of its nationally recognised training.

# Partnership experiences

The experiences of enterprises in establishing registered training organisations as an adjunct to their 'core business' along with a desire to maintain links with nationally recognised training often contributed to their seeking partnerships with external registered training organisation providers. Partnership arrangements varied in intensity from a permanent or frequent on-site presence, to occasional visits with limited function. Depending on the size and location of particular enterprises, partnerships involved single and multiple providers. Frequency of contact with the external registered training organisation appears to have produced a variable response to nationally recognised training take-up: the greater the integration of enterprise and external registered training

organisation, the greater the likelihood of the enterprise's commitment to nationally recognised training and development of a training culture.

The diversity of enterprise partnership arrangements produced a wide range of training responses. For some, the management of multiple and intense registered training organisation partnerships proved very difficult and time-consuming. For example, the ABC used different registered training organisations in each state to deliver frontline management qualifications and found the management of the arrangements difficult. This was due perhaps to the existence of relatively autonomous departments or silos within the organisation. For others, single and highly productive partnership arrangements involved the on-site presence of external registered training organisation staff. In some places they were accepted as enterprise staff members. At Quality Chemicals, for example, partner registered training organisation staff moved freely across the organisation. Similarly, Bluescope Steel worked closely with its partner to deliver national training, and staff interacted frequently on site. In many partnering cases, the enterprises regarded non-TAFE providers as more flexible than TAFE, but this was by no means always the case.

In other organisations external partners played a smaller role. This was the case at Centrelink Call where partnering registered training organisations were required primarily for assessment and a small amount of training delivery, and did not have an on-site presence. Consequently, there was a perception from some staff that supervisors within the enterprise signed off on the technical correctness and the registered training organisations merely rubber-stamped the decision. Within these diminished partnership roles, enterprise training managers often had to check and recheck the assumptions on which the registered training organisations delivered training in order to avoid confusion.

# What is the nature of the nationally recognised training?

Nationally recognised training in the case studies was largely delivered on the job. In most cases this meant that the onus for learning fell very squarely on the learners. Thus the training was typically delivered by the supervisors or trainers in the workplace. The call centre case studies provided good examples of this highly on-the-job approach to training, with much of the training delivered by team leaders or by trainers attached to the call centre teams. The learners were expected to accumulate evidence of their training and demonstrate that they met the competencies specified in the training packages for the qualifications for which they were studying. These portfolios of evidence then provide the basis for the assessment undertaken by qualified assessors from the registered training organisation, or within the company, if the company was an enterprise registered training organisation.

This 'collection of evidence' approach to nationally recognised training produced a feeling amongst some learners and their managers that they were not really receiving any training at all. The training was so well integrated into the everyday jobs of the learners, that, in many of the case study companies, some learners felt that this was not 'real' training. This might reflect a preconception that training is something that takes place in classrooms and is conducted off the job, but it might also reflect learners' concerns that what they were learning was not new. The emphasis on the collection of evidence for assessment purposes sometimes appeared to be artificial. As one manager put it:

> The smart ones gather their evidence as they go. Human nature being what it is, there are also the ones who struggle. And then there are strange anomalies that, you know, you need evidence that you can do something and they'll come up to me and say 'Could you write me an e-mail that says thanks very much for doing that?' and I'll write that e-mail.

Not all the training associated with nationally recognised training was conducted on the job. In some cases, employees underwent an initial off-the-job training period. This was particularly the case in the call centre case studies where new employees underwent an induction period before moving to the live operations in their teams. This off-the-job period lasted from one to six weeks,

depending on the organisation, and effectively began the employees' nationally recognised training. In other industry areas there were some regular off-the-job training sessions.

In most case study organisations nationally recognised training was being used for the large-scale training of operator-level employees. Thus, in the call centre case studies, the Certificate III and IV in Customer Contact were the main qualifications delivered. At the ABC, the Certificate IV in Broadcasting (Radio) and the Certificate II in Retail Operations were the main qualifications offered. At the Riverside Sports Club, the principal qualification offered was the Certificate II in Hospitality Operations, and at the Vikings Clubs the Certificate III in Hospitality Operations and the Certificate IV in Hospitality Supervision were the principal qualifications.

The use of nationally recognised training for large-scale training of operational employees tended to lead enterprises to consider the value of such training for other groups of workers. This was particularly the case with the enterprise registered training organisations. The most common further use of nationally recognised training was for managers, with many of the case study enterprises offering the Certificate IV in Frontline Management. In some cases, such as the ABC, the frontline management qualification was offered, not only to first-line supervisors, but also to middle managers, to enable some consistency in management training to be achieved. Nationally recognised training was also being extended in some of the case enterprises to mid-level and technical occupations in the workforce, including technical production staff in radio and television at the ABC, project managers at SingTel Optus and to business administration staff in the hospitality case studies.

# What are the perceived benefits for different groups of workers?

The view amongst many of the companies was that nationally recognised training with its on-the-job nature provided comprehensive training that could be rolled out to large groups of employees quickly, while at the same time ensuring that all those who received the training were operating at a nationally recognised standard. In some cases, it had been the emergence of the need for comprehensive high-volume training that had prompted the organisation to provide nationally recognised training in the first place. Thus, SingTel Optus met the training need associated with massive recruitment of call centre representatives into new call centres by turning to nationally recognised training. Similarly, the radio and retail divisions of the ABC used nationally recognised training to train large numbers of existing workers at the shop floor or production level quickly and to a common standard. The case study companies all confirmed that meeting high-volume training needs would have been very difficult using an in-company and off-the-job approach to training.

Nationally recognised training seemed to fit the training needs of different groups in the workforce who may previously have had unsatisfactory access to training. For operation-level employees, where release from the job was a major difficulty in the provision of traditional forms of training, the on-the-job emphasis of nationally recognised training meant that the training could still be delivered, but without encountering significant employee release problems. Some of the case study companies also showed how nationally recognised training could suit the working patterns of non-standard workers. The Adelaide Festival Centre Trust traditionally employed large numbers of casual and even volunteer staff who felt a sense of commitment to the arts and wished to work at the centre. However, the centre had not always been able to meet what it saw as its human resource obligations to these workers, especially in terms of training and recognition of the often considerable skills that such workers bring to the centre. The adoption of nationally recognised training had enabled the centre to recognise and accredit the skills of casual and volunteer workers and provide them with extra training which improved their marketability in the arts world, as well as meeting their training requirements, especially in the area of occupational health and safety. Capital Clubs in Canberra was also able to use nationally recognised training to train its large

numbers of casual staff without the need for complex employee attendance arrangements, the complexities of which had hindered previous attempts to standardise training.

# Obstacles and facilitating factors

The successful implementation of nationally recognised training was not a simple matter for many of the case study organisations. Whether the organisation was an enterprise registered training organisation or working in partnership with a registered training organisation, delivering nationally recognised training to employees required significant involvement with the national VET system. It also required compliance with Australian Quality Training Framework standards. In those case study companies which had not moved to embrace nationally recognised training, it was often the lack of understanding of the national VET system and of training packages which underpinned the company's lack of engagement with the system. Those organisations that successfully engaged with nationally recognised training usually employed a specialist training or human resources manager familiar with the national VET system. In most cases this person had worked within the VET system and had been recruited into a training position in the organisation.

These nationally recognised training 'champions' were skilled in their ability to navigate what seemed like a highly complex bureaucracy to outsiders, and were able to handle the compliance arrangements imposed by the VET system, particularly if the organisation was an enterprise registered training organisation. They were able to access the funding available to organisations for employing learners or providing nationally recognised training. Thus the Head of Training at the ABC had come to the ABC from a successful career in the national VET system; the manager of the registered training organisation at SingTel Optus had also previously worked in the VET system; the new human resource manager at Capital Clubs had had significant previous experience in implementing nationally recognised training, and the human resources manager at Quality Chemicals, although not a veteran of the VET system, had developed a wealth of experience in navigating the VET system and was a champion for nationally recognised training within the company. This notion of the nationally recognised training champion often seemed to be crucial to the successful implementation of nationally recognised training in many of the case study organisations.

# What is the importance of government funding?

We expected funding to play a key role in organisations' decisions to become enterprise registered training organisations. Often funding was an important impetus in establishing a registered training organisation, and for enterprises in partnership, it seemed that registered training organisations might use funding initially to try to 'sell' nationally recognised training to the enterprise. After a while, some enterprises saw internal productivity and human resources benefits arising from their involvement in nationally recognised training and the funding issues became less important. This was the case with Riverside Sports Club whose directors initially saw training as a 'cash cow'. They had hoped to offer courses to outside learners as well as to their own staff, but later redirected the training effort of the organisation towards further development of their own staff.

However, the enterprises which used nationally recognised training were well aware of the different amounts of government funding that could be accessed, using these to support their activities. In some cases, differential funding (Commonwealth and state), available either to different groups of staff or to the same groups of staff was used to underpin and subsidise training for the wider workforce. Such activities did not contravene the terms on which funding was available to enterprises and registered training organisations.

# How have training packages affected the provision of, and attitude to, nationally recognised training in enterprises?

In general, training packages have had a significant impact on the take-up of nationally recognised training in the case study enterprises. Assembling sets of competency standards and qualifications relating to industries and specific occupational areas have enabled many of the enterprises to plan for a consistent use of nationally recognised training for major groups of their employees. This is most clearly seen in the use of nationally recognised training for large groups of operational employees in enterprises such as SingTel Optus, the ABC, Foxtel and the clubs—Riverside and Capital. Many of the users of nationally recognised training and the registered training organisations commented that the use of nationally recognised training had enabled them to provide highly consistent training for their operation-level employees in a way that had been impossible under the older, mostly in-house forms of training. The existence of training packages had also enabled these enterprises to use recognition of prior learning/recognition of current competence quite extensively to accredit the existing skills of workers. Thus, at the ABC and at the Adelaide Festival Centre, large groups of workers had been able to have their existing skills recognised and certificated through the recognition of prior learning processes made available through the use of training packages.

Training packages also allowed some of the case study enterprises to utilise relevant competency standards in areas other than training. For example, the enterprises were using the competency standards in the training packages in performance management systems and in career development systems. The clearest example of this extended use of competency standards was at SingTel Optus where the company was systematically using the competency standards in the training packages to inform their performance management and career development systems, to the point that their human resource systems were becoming increasingly based on training packages.

A significant drawback in the use of training packages was the tendency of enterprises to take a rather narrow view of their content. This was demonstrated, for example, in the Adelaide Festival Centre, where the enterprise wished to provide training in a range of skills, including budget management and occupational health and safety but could not find the appropriate standards in the training packages they were using. Rather than look at standards that might be contained in other training packages, the company used non-recognised training to fill this need.

# Conclusion

The case studies have illustrated the wide variety of take-up and use of nationally recognised training in a range of Australian enterprises. They have shown that the introduction of training packages has enabled enterprises to adopt nationally recognised training for large groups of workers and to extend the use of such training to more specialised groups in the workforce. In particular, enterprises which have become registered training organisations have been able to use nationally recognised training to inform not only their training, but also other aspects of their human resource management systems in a way which increasingly integrates training with the broader business needs of the enterprise.

# Findings from the survey

In November 2003 a survey was sent to all enterprise registered training organisations (195), and a (largely similar) second survey sent to a sample of companies from the commercial Dun & Bradstreet database of human resource managers. Responses were received from 51 enterprise registered training organisations and from 73 human resource managers (response rates of 26% and 19% respectively).[6] While these response rates are acceptable for a mailed survey (Armstrong & Overton 1977), the analysis in this chapter must necessarily be more tentative than if a higher response rate had been achieved. For the enterprise registered training organisations, the sample was the population (that is, 100%) of all enterprise registered training organisations. Hence the findings about enterprise registered training organisations are based on 26% of the entire population and therefore have greater validity (Opie 2004) than the findings about enterprises that were not registered training organisations. The Dun & Bradstreet database was selected to represent large and medium-sized companies that were likely to have an interest in training, since they employed human resource managers. Hence they would be roughly comparable to companies which were enterprise registered training organisations. These companies are not meant to represent all enterprises in Australia. It is important, in view of these limitations, to remember that the overall findings of the study are based upon the case studies as well as upon the statistical data presented in this chapter.

The questionnaires for the two groups were identical in several sections to allow comparisons (appendix C). Question 31 of the survey asked if the respondents had provided or purchased nationally recognised training for any existing workers since January 2002 (that is, roughly in the previous two years). Responses to this question allowed the responses from human resource managers to be split between those organisations which *did use* nationally recognised training and those which *did not*.[7] To analyse and report on the data, responses were therefore divided into three groups as shown in table 2. A reasonably equal distribution between the three groups allowed useful comparisons to be made.

**Table 2:    Responses to the questionnaire**

| Group | Questionnaires used | Number of responses | Name used for the group in tables in this chapter |
|---|---|---|---|
| Enterprise registered training organisations | Enterprise registered training organisation (Yellow) | 51 | Registered training organisations |
| Other enterprises that had used nationally recognised training in the previous two years | Human resource managers (Blue) | 34 | Purchasers |
| Enterprises that had not used nationally recognised training in the previous two years | Human resource managers (Blue) | 39 | Non-users |

---

[6]   Note that not all respondents answered every question.

[7]   Interestingly, around 23% of the enterprise registered training organisations had not used nationally recognised training for existing workers in the previous two years. They may have course have used it for new workers, but the inference that can be drawn is that enterprise registered training organisations do not always use their registered training organisation status heavily or consistently.

Apart from a question relating to unionisation, and some questions that gave the opportunity to make additional qualitative comments, all questions were answered by the vast majority of respondents.

This chapter begins by highlighting some differences between the three groups which may be assumed to indicate reasons for their differential use of nationally recognised training. The project research questions are subsequently used as headings to discuss the findings about nationally recognised training.

# Differences among the three groups

The distribution across industry areas (table 3) was reasonably similar for each group. However, enterprise registered training organisations had a greater concentration in retail and wholesale (14%) than the other groups, with purchasers and non-users more concentrated in manufacturing (31% and 36% respectively). Other smaller differences were a greater-than-average percentage in government/community/utilities for enterprise registered training organisations and in construction for purchasers.

**Table 3:    Industry distribution**

|  | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
|  | Number | % | Number | % | Number | % |
| Primary (includes mining) | 5 | 9.8 | 1 | 3.1 | 3 | 7.7 |
| Financial services | 3 | 5.9 | 3 | 9.4 | 4 | 10.3 |
| Other services (includes hospitality) | 7 | 13.7 | 5 | 15.6 | 5 | 12.8 |
| Communication and IT | 3 | 5.9 | 2 | 6.3 | 3 | 7.7 |
| Transport and distribution | 5 | 9.8 | 2 | 6.3 | 3 | 7.7 |
| Sales (wholesale and retail) | 7 | 13.7 | 1 | 3.1 | 1 | 2.6 |
| Manufacturing | 9 | 17.6 | 10 | 31.3 | 14 | 35.9 |
| Govt/community/public utilities | 10 | 19.6 | 5 | 15.6 | 5 | 12.8 |
| Construction and civil engineering | 2 | 3.9 | 3 | 9.4 | 1 | 2.6 |
| **Total** | **51** | **100.0** | **32** | **100.0** | **39** | **100.0** |

Enterprise registered training organisations also tended to be larger than purchasers and non-users, with 46% of enterprise registered training organisations having more than 1000 employees compared with 6% of purchasers and 13% of non-users. Purchasers were concentrated around the 101–500 mark, while non-users were concentrated in the below-50 range (table 4).

**Table 4:    Number of employees in the organisation**

|  | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
|  | Number | % | Number | % | Number | % |
| up to 50 | 4 | 8.7 | 4 | 12.1 | 21 | 53.8 |
| 51–100 | 2 | 4.3 | 8 | 24.2 | 4 | 10.3 |
| 101–500 | 13 | 28.3 | 16 | 48.5 | 6 | 15.4 |
| 501–1000 | 6 | 13.0 | 3 | 9.1 | 3 | 7.7 |
| More than 1000 | 21 | 45.7 | 2 | 6.1 | 5 | 12.8 |
| **Total** | **46** | **100.0** | **33** | **100.0** | **39** | **100.0** |

# Organisational change

Respondents were asked about changes in operations, workforce numbers, their use of technology and their skill needs by comparison with the average skill needs of their industry. Some clear differences emerged among the groups in these questions. Purchasers were most likely to have expanded their operations (76%), while the non-users and enterprise registered training organisations were almost equal (62–63%). The purchasers were also the most likely to have increased their workforce (66% by comparison with 47% for registered training organisations and 54% for non-users). Enterprise registered training organisations had experienced the most decline in their workforces. Twenty-four per cent had experienced a decline in their permanent workforce, compared with 21% of non-users and 13% of purchasers. All organisations reported a similar increase in skill needs in their respective industries (table 5), but when asked about the skill needs of their actual organisation, purchasers reported the fastest growth in skill needs (32% compared with 22% for registered training organisations and 21% for non-users).

**Table 5:    Rate of change in skill needs of the organisation over the past five years**

|  | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
|  | Number | % | Number | % | Number | % |
| Fast | 11 | 22.0 | 11 | 32.4 | 8 | 20.5 |
| Steady | 34 | 68.0 | 20 | 58.8 | 28 | 71.8 |
| None | 5 | 10.0 | 3 | 8.8 | 3 | 7.7 |
| **Total** | **50** | **100.0** | **34** | **100.0** | **39** | **100.0** |

Changes in the use of technology (table 6) had also increased most rapidly in the purchasers (38% rapidly and 53% increased steadily), while enterprise registered training organisations were most likely to be static in their technology use (14%).

**Table 6:    Rate of change in the use of technology in your industry over the past five years**

|  | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
|  | Number | % | Number | % | Number | % |
| Fast | 14 | 27.5 | 13 | 38.2 | 11 | 28.2 |
| Steady | 30 | 58.8 | 18 | 52.9 | 27 | 69.2 |
| None | 7 | 13.7 | 3 | 8.8 | 1 | 2.6 |
| **Total** | **51** | **100.0** | **34** | **100.0** | **39** | **100.0** |

The general picture was that purchasers were experiencing more rapid change than other organisations, and detailed inspection of the data suggests that enterprise registered training organisations were the most static group and least likely to be undergoing substantial organisational or technological change. It needs to be remembered that these findings reflect the respondents' own views about their companies, and are not measured by objective means.

# Differences among the groups: General training issues

## Training structures

Enterprise registered training organisations were overwhelmingly more likely to have formal arrangements and specialised training personnel. Ninety-two per cent of enterprises had a written training plan compared with 61% of purchasers and 36% of non-users; 97% had a training manager compared with 46% of purchasers and 41% of non-users. Eighty-four per cent of

enterprises that were registered training organisations had a training budget, compared with 67% of purchasers and 37% of non-users. Enterprise registered training organisations were also more likely to have a training committee (46%) and non-users least likely (8%). Enterprise registered training organisations were more likely to have a training department (92%) compared with 37% of purchasers and 28% of non-users. In almost all cases, the numbers of staff in the department was very small (two or fewer)

The purchasers were less likely and the non-users least likely to have these arrangements. Purchasers' training structures varied among the items included in the survey; for example, only 61% had a training plan, but 79% conducted formal training needs analyses. Non-users scored as high as purchasers (67%) on the reimbursement of course fees to employees for external courses.

## Unionisation and employee representation in training decisions

Respondents were asked to estimate the degree of unionisation. Although most respondents chose not to answer the question about extent of unionisation, of those who did and who also indicated that they had a training committee, enterprise registered training organisations were most likely to have a union representative on the committee (60%).

## Presence of a training culture

Respondents were asked about the amount of training they did compared with similar organisations: the enterprise registered training organisations were more likely to answer 'more' (two-thirds), than the purchasers (half) or the non-users (almost a third). Findings are shown in table 7.

**Table 7:  Whether respondents consider they do more or less training compared with similar organisations**

|  | Registered training organisations | | Purchasers | | Non-users | |
| --- | --- | --- | --- | --- | --- | --- |
|  | Number | % | Number | % | Number | % |
| More | 33 | 66.0 | 16 | 50.0 | 11 | 28.9 |
| Same | 16 | 32.0 | 14 | 43.8 | 24 | 63.2 |
| Less | 1 | 2.0 | 2 | 6.3 | 3 | 7.9 |
| **Total** | **50** | **100.0** | **32** | **100.0** | **38** | **100.0** |

## Drivers of training

When asked about the major drivers of training (not necessarily nationally recognised training) for existing staff, the following findings emerged. Enterprise registered training organisations were most likely to cite occupational health and safety (72%) as being very important. Purchasers were more likely than the other two groups to cite as very important new technology (72%), and business strategy (65%). Non-users were more likely than the other two groups to cite market pressures (45%), quality (72%, only slightly ahead of the other two groups), and organisational change (44%). Employee demand was cited as very important by only about a third of companies in each group, with enterprise registered training organisations being the least likely to cite this as a very important driver of training. It needs to be noted that categories were provided to the respondents; they were not asked to nominate training drivers themselves.

## Purchasing of training

When asked about their purchasing of training (not confined to nationally recognised training), purchasers were most likely to purchase/pay for training from TAFE (85%, compared with 80% for enterprise registered training organisations and 55% for non-users). Purchasers were also most likely to purchase from private training providers (not necessarily registered training organisations): 100% compared with 90% for enterprise registered training organisations and 80% for non-users. Purchased vendor training (that is, training delivered by suppliers of machinery or systems) was

most common among purchasers (90% compared with 75% for enterprise registered training organisations and 64% for non-users). Employer associations were used for training purposes almost equally by purchasers and non-users (77%).

# Why do some employers (and not others) use nationally recognised training, either in partnership with, or by becoming, a registered training organisation?

This section discusses several factors linked to use or non-use of nationally recognised training and the perceived or actual benefits of using it.

## Knowledge of the system

As might be expected, *understanding of the features of nationally recognised training* was greatest among enterprise registered training organisations and lowest among non-users. User choice was the least-recognised feature, with 29% of enterprise registered training organisations not knowing the term or only knowing the name.[8] Recognition of prior learning/recognition of current competence was the most-recognised feature. One hundred per cent of enterprise registered training organisations, 94% of purchasers and 44% of non-users knew a lot or a little about recognition of prior learning/recognition of current competencies. Only 56% of purchasers knew something (a lot or a little) about the Australian Quality Training Framework, which is somewhat worrying, as the framework imposes significant regulation on the delivery of nationally recognised training.

*The sources of knowledge* about nationally recognised training varied. In the survey, respondents were asked about their use of a range of sources of knowledge (thus they could make several choices). Enterprise registered training organisations were most likely to learn about nationally recognised training directly from ANTA (87% ticked this option) and state training authorities (78%), while purchasers were more likely to learn from TAFE or other registered training organisations (82%) or employer associations (59%). Non-users were only slightly less likely to learn from TAFE/registered training organisations (46%) than were enterprise registered training organisations (49%). Employer associations were reported as equally important sources of information for the three groups—around half in each case. New Apprenticeship Centres were reported more frequently among enterprise registered training organisations than among purchasers, with the same pattern for national industry training advisory bodies (65% for enterprise registered training organisations), but group training organisations were not common sources of information, and were most used by purchasers (24%).

Even among the non-users there was some experience of nationally recognised training. Of the non-users, 27% had used such training in the past; 6% (two cases) as an enterprise registered training organisation and the reminder in conjunction with a registered training organisation. Of those who had never used nationally recognised training, 23% had considered using it in conjunction with a registered training organisation, and one company had considered becoming an enterprise registered training organisation.

## The role of government funding

Government funding appeared significant in the decision to undertake nationally recognised training, although there were differences between enterprise registered training organisations and other users of nationally recognised training (table 8). While the overall proportion of those who responded that funding was very important or of some importance was similar for both groups, the emphasis was different. Enterprise registered training organisations were more likely to report that it was of some importance (43%) than other users (25%), with purchasers much more likely to state

---

[8]  The fact that the term 'user choice' is not officially utilised in New South Wales may have contributed to this finding.

that it was very important (44%), compared with enterprise registered training organisations (31%). An inference can be drawn from this finding, together with the responses to sources of information about nationally recognised training: that marketing of nationally recognised training to enterprises by registered training organisations might be a significant factor in the take-up of such training. Inspection of the open-ended comments from the two groups suggests that, for users of nationally recognised training, government funding provided an incentive for the original decision to implement it, but was less significant for decisions about continuing to use it.

**Table 8:** **Whether government funding was important in the decision to implement nationally recognised training**

|  | Registered training organisations | | Purchasers | |
|---|---|---|---|---|
|  | Number | % | Number | % |
| Very important | 15 | 30.6 | 14 | 43.8 |
| Some importance | 21 | 42.9 | 8 | 25.0 |
| Not very important | 6 | 12.2 | 6 | 18.8 |
| Funding not available | 7 | 14.3 | 4 | 12.5 |
| **Total** | **49** | **100.0** | **32** | **100.0** |

With respect to funding for existing worker training, purchasers accessed funding less than enterprise registered training organisations, and non-users scarcely at all. Overall, 74% of enterprise registered training organisations, 59% of purchasers and 23% of non-users had accessed some government funding for training for existing workers in the past two years. The most commonly accessed funding (in order of incidence) were: New Apprenticeships Commonwealth funding (by a factor of three: 61% of enterprise registered training organisations compared with 20% for user choice); user choice funding; other Commonwealth schemes (for example, Workplace English Language and Literacy program); other state training authority funding; and industry funding, for example, levy schemes. In qualitative comments, there were some complaints about administration of funding and variations between states, and a few complaints that other companies abused the system. Two respondents emphasised that funding was not central:

> Government assistance is not why we have apprentices—develop professionals for the future.
>
> (Purchaser)

> The need to train existing workers far outweighs the requirements for funding; funding to our organisation is secondary. (Purchaser)

## Experience as an enterprise registered training organisation

Length of registration as an enterprise registered training organisation varied: almost half had been registered for between three and five years, with a quarter only two years or less. The rest had been registered for longer, with 10% having been involved for over nine years. Eighty-two per cent of the enterprise registered training organisations said they would continue their registration indefinitely; 10% at least until the next audit.

Some enterprise registered training organisations used their registered training organisation status for income generation. Thirty-seven per cent provided nationally recognised training to outside organisations and 21% to outside individuals. Moreover, 52% had partnerships with other registered training organisations. Qualitative comments indicated that these were used for a variety of reasons, including for small groups of staff for whom it was not worth adding qualifications to their scope, or alternatively, for large groups of staff whom the enterprise registered training organisation itself did not have capacity to train; for the acquisition of specialised skills not possessed within the organisation; and for the delivery of some units for qualifications that were otherwise delivered mainly within the enterprise registered training organisation.

Interestingly, only 77% of enterprise registered training organisations said they had provided or purchased nationally recognised training in the last two years, suggesting that enterprise registered training organisation status might not be used frequently or consistently for existing worker training. It is possible that this role was only occasionally utilised for new workers or was only invoked from time to time.

When asked why they became an enterprise registered training organisation rather than purchasing nationally recognised training, of the 48 responses, the following clusters of reasons were most common:

✧ more control/customisation (13)

✧ cheaper/funding (10)

✧ flexibility (6)

✧ training not provided by any or by geographically accessible providers (4)

✧ needs were very specific (3).

Purchasers who had considered becoming enterprise registered training organisations gave a range of reasons for not pursuing this option, including not being large enough to justify the step and the perceived difficulties of accessing information relating to taking this step or problems associated with the application process.

## Qualitative comments on reasons for using nationally recognised training

The most commonly cited reason for using nationally recognised training was to improve skill levels of the workforce. Some respondents mentioned the need for improved skills in relation to competitive pressures or legislative or industry requirements. It was clear that some companies were using it as a strategic tool; for example, 'upskill whole staff quals—growth and development' and 'raise internal benchmark'. These comments came from enterprise registered training organisations and not from purchasers. Enterprise registered training organisations were also more likely to mention skill shortages. National recognition was important to a number of respondents, and benefits accruing to employees were also mentioned explicitly by several.

# What are the perceived benefits of nationally recognised training for the enterprise?

## Increase in training due to the adoption of nationally recognised training

Enterprise registered training organisations reported a significant increase in the overall quantity of training (92%) since having begun to use nationally recognised training (table 9). Purchasers reported an increase, with almost 60% reporting that organisational training had increased a lot, or somewhat since the introduction of nationally recognised training.

**Table 9: Has amount of *all* training changed since nationally recognised training? (registered training organisations and purchasers only)**

|  | Registered training organisations | | Purchasers | |
|---|---|---|---|---|
|  | Number | % | Number | % |
| Yes, a lot | 22 | 43.1 | 5 | 14.7 |
| Yes, somewhat | 25 | 49.0 | 15 | 44.1 |
| No change | 3 | 5.9 | 13 | 38.2 |
| Don't know | 1 | 2.0 | 1 | 2.9 |
| **Total** | **51** | **100.0** | **34** | **100.0** |

When asked the reason for the increase, almost 60% of enterprise registered training organisations reported that nationally recognised training was the primary driver, compared with 39% of other purchasers of such training (table 10).

**Table 10: Reason for change in amount of training**

|  | Registered training organisations | | Purchasers | |
|---|---|---|---|---|
|  | Number | % | Number | % |
| Don't know | 1 | 2.2 | 3 | 13.0 |
| Recognised training | 26 | 57.8 | 9 | 39.1 |
| Other | 18 | 40.0 | 11 | 47.8 |
| **Total** | **45** | | **23** | |

'Other' reported reasons included companies' strategic commitment to training staff, improvements in training infrastructure and/or management commitment, and legislative requirements for training.

## Additional uses of competency standards

The responses to a question about 'other' uses of competency standards indicated that competency standards and training packages were used as the basis of a number of human resource activities. Competency standards were used as the basis of *any* training (which includes nationally recognised training) by 100% of respondents from enterprise registered training organisations (table 11). There was a high level of use by purchasers (70%) and a smaller number (30%) of non-users of nationally recognised training.

**Table 11: Do you use nationally recognised competency standards as the basis of any training for existing workers?**

|  | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
|  | Number | % | Number | % | Number | % |
| Yes, industry standards | 40 | 78.4 | 22 | 64.7 | 10 | 25.6 |
| Yes, enterprise standards | 12 | 23.5 | 2 | 5.9 | 2 | 5.1 |
| No | | | 10 | 29.4 | 27 | 69.3 |
| **Total** | **51** | **100.0** | **34** | **100.0** | **39** | **100.0** |

There was a very high usage of standards for purposes other than training (table 12). Almost half of enterprise registered training organisations used standards for job descriptions (49%), job evaluation (49%), and for performance management (49%), with 41% of enterprise registered training organisations also using them for recruitment. Interestingly, almost the same proportion of purchasers used standards for performance management (47%), but a higher proportion (50%)

used them for recruitment. Amongst non-users, 41% also used standards for job evaluation; 46% used them for recruitment.[9] A few respondents alluded to other standards they used, for example, standards developed by the Australian Institute of Management.

**Table 12: Do you use nationally recognised competency standards as the basis of other activities?**

| | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
| | Number | % | Number | % | Number | % |
| Yes for writing job descriptions | 25 | 49.0 | 11 | 32.4 | 10 | 25.6 |
| Yes for job evaluation/classification | 25 | 49.0 | 9 | 26.5 | 16 | 41.0 |
| Yes for performance management | 25 | 49.0 | 16 | 47.1 | 7 | 17.9 |
| Yes for recruitment and selection | 21 | 41.2 | 17 | 50.0 | 18 | 46.2 |
| **Total** | **51** | | **34** | | **39** | |

Note: Respondents could give more than one answer, because some used more than one standard, i.e. both industry and enterprise standards.

## Qualitative comments on benefits of nationally recognised training

These comments varied somewhat from the reasons for adopting nationally recognised training. Several respondents mentioned quality and consistency of their workforce; multi-skilling was also mentioned. 'Credibility' and ability to bid for government contracts were also important. Staff retention, morale and self-worth were also mentioned by a number of organisations.

# What is the nature of the nationally recognised training?

## Apprenticeships and traineeships

While existing worker apprenticeships and traineeships were of most interest for the study, respondents were also asked about their practices in relation to new worker New Apprentices.

Existing worker apprenticeships and traineeships were less common among the purchasers (63%) and non-users. Seventy-five per cent of registered training organisations either had a definite policy of using existing worker New Apprenticeships or of sometimes offering them (table 13). Registered training organisations were more likely to be using them on a large scale, with 40% of those offering them reporting, in answer to a separate question, putting more than 100 persons through existing worker New Apprenticeships in the previous two years. This clearly represented a significant use of nationally recognised training. A variety of reasons were given for existing worker New Apprenticeships including: upskilling and cross-skilling; standardisation and/or formalisation of skills; retention of good staff; expansion of the business; and government incentives.

**Table 13: Whether traineeships or apprenticeships offered to existing workers since January 2002**

| | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
| | Number | % | Number | % | Number | % |
| No | 13 | 25.5 | 12 | 37.5 | 30 | 78.9 |
| Yes, as policy | 19 | 37.3 | 9 | 28.1 | 3 | 7.9 |
| Yes, sometimes | 19 | 37.3 | 11 | 34.4 | 5 | 13.2 |
| **Total** | **51** | **100.0** | **32** | **100.0** | **38** | **100.0** |

---

[9] Although the figures for non-users appear higher than might be reasonably expected, inspection of the names and industry sectors of companies making these responses, together with their responses to other questions, indicated that they were credible. However, there remains a possibility that they might have misinterpreted the question.

---

Enterprises' commitment to nationally recognised training for existing workers

By contrast with existing worker apprenticeships and traineeships, there was heavy use of trainees as new workers by all organisations (table 15). Seventy-four per cent of enterprise registered training organisations, 69% of purchasers and 44% of non-users employed new trainees either frequently or sometimes. New worker apprentices were most common in the enterprise registered training organisations (table 14). They were employed either frequently or sometimes by 61% of enterprise registered training organisations, 58% of purchasers and 26% of non-users.

**Table 14:** **Whether respondents employed apprentices as new workers (including employment through a group training organisation)**

| | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
| | Number | % | Number | % | Number | % |
| No | 20 | 39.2 | 14 | 42.4 | 28 | 73.7 |
| Frequently | 13 | 25.5 | 10 | 30.3 | 3 | 7.9 |
| Sometimes | 18 | 35.3 | 9 | 27.3 | 7 | 18.4 |
| **Total** | **51** | **100.0** | **33** | **100.0** | **38** | **100.0** |

**Table 15:** **Whether respondents employed trainees as new workers (including employment through a group training organisation)**

| | Registered training organisations | | Purchasers | | Non-users | |
|---|---|---|---|---|---|---|
| | Number | % | Number | % | Number | % |
| No | 13 | 26.0 | 10 | 31.3 | 22 | 56.4 |
| Frequently | 18 | 36.0 | 9 | 28.1 | 3 | 7.7 |
| Sometimes | 19 | 38.0 | 13 | 40.6 | 14 | 35.9 |
| **Total** | **50** | **100.0** | **32** | **100.0** | **39** | **100.0** |

## Qualifications awarded

Enterprise registered training organisations were most likely to issue both complete qualifications and statements of attainment to existing workers (90%, compared with 69% for purchasers), while purchasers were more likely to offer either statements of attainment only (16% compared with 8% of enterprise registered training organisations). The most commonly awarded qualifications were (in order):

✧ certificate II

✧ certificate III

✧ diploma

✧ certificate IV

✧ certificate I and advanced diploma (about equal).

Neither the registered training organisations nor the purchasers utilised assessment-only services, although five non-users said they had considered this form of nationally recognised training.

## Relationships with registered training organisations (purchasers only)

Purchasers were asked a series of questions about the nature of the arrangements they had with registered training organisations. There were a variety of arrangements with registered training organisations. These were more likely to be informal or ad hoc than formal, and more likely to be with non-TAFE registered training organisations than with TAFE. Interestingly, 37% of purchasers had considered becoming enterprise registered training organisations.

Just over half of purchasers (53%) had involvement in the assessment/recognition of prior learning which the partnering registered training organisations carried out on their staff, with 38% of purchasers having workplace assessor-qualified staff. In general, the delivery of the training was slightly more likely to be at the registered training organisation premises (36%) than on site (32%). In 19% of cases, the training and assessment was delivered by the enterprises and overseen and moderated by the registered training organisation.

# What are the perceived benefits for different groups of workers?

The numbers of existing workers involved in nationally recognised training were much greater for enterprise registered training organisations than for purchasers. For example, 23% of the enterprise registered training organisations reported more than 75 workers being involved, compared with 12% of the purchasers. Over half (52%) reported fewer than ten workers being involved, compared with 28% of the enterprise registered training organisations. These findings may be interpreted simply as a reflection of the size of the enterprises, but when non-nationally recognised but structured training was considered, the picture was similar, but not so marked. Thirty-nine per cent of enterprise registered training organisations claimed that more than 75 workers were involved in formal, non-nationally recognised training, compared with 31% of purchasers. Non-users showed a pattern similar to purchasers, but with no non-users in the 75+ range and a concentration (35%) in the 51–75 range.

Respondents were asked to nominate the percentages of staff in five groups which received nationally recognised training: professionals, managers, clerical/admin, technical/trades and operational/shop floor. Figure 1 depicts the proportion of companies offering nationally recognised training to more than half of the workers in the different categories since January 2002. The groups of workers who received nationally recognised training appeared to be skewed towards lower-level operational occupations. This contrasts significantly with the traditional picture of training being offered most frequently to more senior staff.

**Figure 1:    Companies offering nationally recognised training to more than 50% of each of five different levels of employees since January 2002**
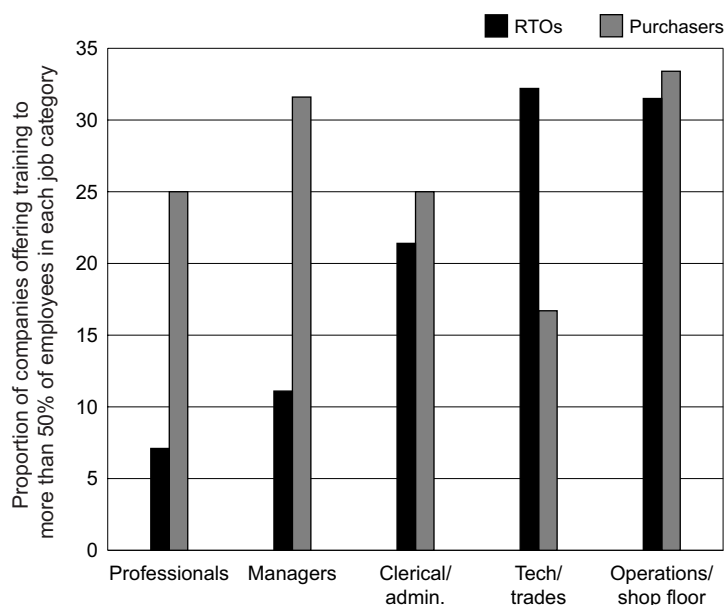


Note:    RTO = registered training organisation.

Moreover, there was some evidence that the adoption of nationally recognised training actually 'pulled up' the *total* amount of structured training (that is, not just nationally recognised training) offered to these lower-level groups. Figure 2 shows the structured but not nationally recognised training offered to the different groups. Lower-level workers were receiving more structured training in the enterprise registered training organisations and purchasers than in non-users.[10]

**Figure 2:   Companies offering structured training to more than 50% of each of five different levels of employees since January 2002**
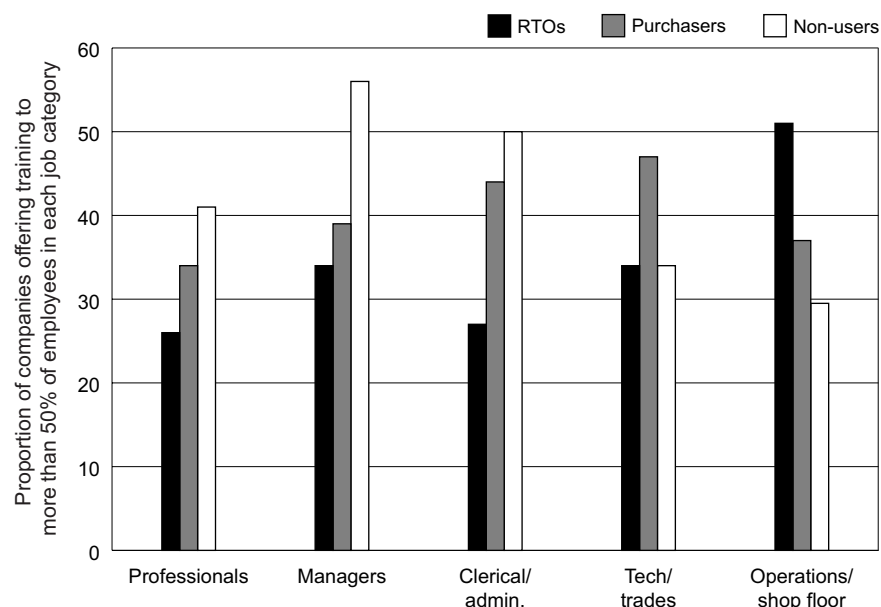


Note:    RTO = registered training organisation.

Respondents were also asked to state the actual job classifications that received nationally recognised training. A very wide range of occupations/jobs were listed, including machine operators, stevedores, agricultural workers, sales staff, bus drivers, firefighters and drivers. 'Higher level' occupations included: managers, trainers and information technology staff. There did not seem to be any appreciable difference between the enterprise registered training organisations and the purchasers in the types of jobs for which they used nationally recognised training.

Traditionally, part-time and casual workers have had less access to training than permanent and full-time staff. Respondents were asked to estimate percentages of their workforce who were permanent full-time, permanent part-time, casual and contractors. Their responses were then placed into 10% intervals. Table 16 depicts, by the type of involvement with nationally recognised training, the degree of full-time permanency in the workforce.

The tables show a lower degree of permanency in enterprise registered training organisations than in other types of organisations. Interestingly, the purchasers showed a large proportion of permanent part-time staff. While respondents were not asked whether part-time or casual staff received training, these tables, together with the figures relating to occupational level, indicate that use of nationally recognised training is likely to increase access to training for part-time and casual staff.

---

[10] It is recognised that this finding could be the result of the nature of the companies themselves.

**Table 16: Percentage of workforce in full-time permanent employment**

| % | Registered training organisations | Purchasers | Non-users |
|---|---|---|---|
| 0–10 | 8.2 | 3.2 | 2.8 |
| 11–20 | 6.1 | 3.2 | 8.3 |
| 21–30 | 8.2 | 6.5 | 5.6 |
| 31–40 | 2.0 | 3.2 | 5.6 |
| 41–50 | 6.1 | 6.5 | 5.6 |
| 51–60 | 12.2 | 6.5 | 0 |
| 61–70 | 4.1 | 3.2 | 0 |
| 71–80 | 12.2 | 19.4 | 16.7 |
| 81–90 | 14.3 | 29 | 13.9 |
| 91–100 | 26.5 | 19.4 | 41.7 |

Table 17 shows the total degree of permanency (that is, including permanent part-time staff as well as permanent full-time staff).

**Table 17: Percentage of workforce in permanent employment**

| % | Registered training organisations | Purchasers | Non-users |
|---|---|---|---|
| 0–10 | 6.1 | 0 | 2.7 |
| 11–20 | 0 | 0 | 5.4 |
| 21–30 | 4.1 | 3.2 | 2.7 |
| 31–40 | 2.0 | 3.2 | 0 |
| 41–50 | 6.1 | 6.5 | 5.4 |
| 51–60 | 4.1 | 9.7 | 5.4 |
| 61–70 | 6.1 | 0 | 0 |
| 71–80 | 10.2 | 9.7 | 8.1 |
| 81–90 | 22.4 | 19.4 | 18.9 |
| 91–100 | 38.8 | 48.4 | 51.4 |

# Obstacles and facilitators in the use of nationally recognised training

'Administration' requirements, 'bureaucracy' and 'paperwork' were frequently mentioned terms in qualitative responses about problems associated with involvement with nationally recognised training. One respondent said, for example, 'Some AQTF requirements are getting out of hand'. A number of enterprise registered training organisations (n=5) also mentioned different rules in different states. A few enterprise registered training organisations complained about decreased funding availability for involvement with nationally recognised training for existing workers. Purchasers were more likely than enterprise registered training organisations to complain about the time involved both in developing programs and for employees to attend off-the-job training. 'Finding a decent provider' was mentioned by several purchasers as a difficulty. One complained about being 'exploited' by training providers. Some organisations also mentioned enterprise-specific difficulties relating to the nature of the workforce, such as volunteer status and geographical dispersal.

A few respondents mentioned internal issues. For example, some complained of 'management lack of understanding'; another referred to 'selling the idea to management'. Another commented, 'with more support within the organisation, we could go a long way with the training package'.

Taking the extra step to become an enterprise registered training organisation was facilitated by a number of factors. Facilitating factors included the existence of good training infrastructure,

management and/or 'training champion' support, involvement in the development of training packages, expertise bought in from other organisations, and the involvement of consultants. State training authorities and state industry training advisory bodies as well as industry bodies also offered assistance.

Enterprise registered training organisations also described a number of challenges in the process of becoming an enterprise registered training organisation. Many referred to administrative issues and several mentioned the amount of knowledge involved in making the application. Gaining management 'buy-in' was mentioned as a difficulty by five respondents as a problem. Difficulties with state accreditation bodies were specifically mentioned by two respondents and were implied in a number of other responses relating to 'red tape', 'bureaucrats' and so on. One enterprise registered training organisation said:

> We waste time and resources [that would be] better spent on delivery in managing (and understanding) the different requirements in state contracts.

# How have training packages affected the provision of, and attitude to, nationally recognised training in enterprises?

Enterprise registered training organisations and purchasers gave similar responses when asked whether the introduction of training packages had assisted in the delivery of training, with three-quarters of enterprise registered training organisations and 70% of purchasers reporting that they had. Of the quarter of enterprise registered training organisations and 30% of purchasers reporting that training packages had not helped, those who responded to the open-ended sections tended to report that they were not sufficiently targeted to the needs of the organisation, or that the packages tended to have their own vocabulary and jargon which was not always accessible.

**Table 18: Have the introduction of training packages helped?**

|  | Registered training organisations | | Purchasers | |
|---|---|---|---|---|
|  | Number | % | Number | % |
| No | 12 | 24.5 | 8 | 29.6 |
| Yes | 37 | 75.5 | 19 | 70.4 |
| **Total** | **49** | **100.0** | **27** | **100.0** |

In qualitative comments, some respondents complained about the lack of learning and assessment resources, lack of currency and the lack of flexibility in training packages. Others complained that they could not find information or resources readily. However, others were very positive, for example:

> Training packages are a vital part of our organisation.                                    (Purchaser)

> They are an excellent initiative that will improve with use.
>                                                             (Enterprise registered training organisation)

Customisation was widespread, with 88% of enterprise registered training organisations and 70% of purchasers reporting that they customised training delivered through training packages to their requirements (table 19). A much higher proportion of enterprise registered training organisations (52%) than of purchasers (30%) said that training was greatly customised.

**Table 19: Is training customised?**

| | Registered training organisations | | Purchasers | |
|---|---|---|---|---|
| | Number | % | Number | % |
| Yes, greatly | 25 | 52.1 | 10 | 30.3 |
| Yes, somewhat | 17 | 35.4 | 13 | 39.4 |
| No | 6 | 12.5 | 10 | 30.3 |
| **Total** | **48** | **100.0** | **33** | **100.0** |

# Conclusions from the survey

Responses from over a quarter of all enterprise registered training organisations and a reasonable number of medium-to-large enterprises were divided almost equally between those who had recently used nationally recognised training and those who had not, and provided a viable basis on which to draw some tentative conclusions about the use of nationally recognised training. As the findings concurred with those from the case studies, the validity of such conclusions was strengthened.

The findings suggested that enterprise registered training organisations tended to be large organisations and were more likely to be based in 'newer' industries, such as hospitality and retail, than in more traditional secondary industry areas. Enterprise registered training organisations were more likely to be less rapidly changing than other comparable organisations. Enterprise registered training organisations and (to a lesser extent) purchasers of nationally recognised training were more likely to have formal training structures than those enterprises not using nationally recognised training. Enterprise registered training organisations also perceived themselves as carrying out more training than other similar organisations.

There was a fairly high 'brand awareness' of nationally recognised training among all respondents, although enterprise registered training organisations had the greatest knowledge. Enterprise registered training organisations appeared able to access independent sources of information, such as ANTA, while purchasers tended to get their information through registered training organisations.

Companies engaged with nationally recognised training for a variety of reasons, including improving skill levels and responding to regulatory requirements or to competitive pressures. Those which became enterprise registered training organisations rather than purchasers were seeking more control over the nature of training or saw it as a cheaper option than purchasing. The availability of funding, however, was more important to purchasers than to enterprise registered training organisations. Qualifications were mainly at lower levels: certificates II and III. Most enterprise registered training organisations (three-quarters) and over half of purchasers (63%) offered existing worker apprenticeships or traineeships, either routinely or from time to time.

Once using nationally recognised training, enterprises found that their total training effort increased and they began to use competency standards for other human resource management purposes apart from training. They reported that their credibility among other companies and among potential workers increased, and their staff felt more valued. The statistics suggested that nationally recognised training was concentrated at lower levels of the organisation and that the total training effort delivered at these levels was increased compared with non-users. As enterprise registered training organisations (and, to a lesser extent, purchasers) tended to be organisations with a lower proportion of permanent workers, a further conclusion was that nationally recognised training was making training more available to such workers.

There were a number of very positive comments about nationally recognised training including:

> At the end of the day the portability of qualifications within nationally recognised training is where the students/workers/staff will constantly benefit the Australian world of work!

> (Purchaser)

> Nationally recognised training is a big asset not only to our organisation but to the community and region as a whole.	(Purchaser)

> The only way forward.	(Purchaser)

> Keep it coming!	(Enterprise registered training organisation)

However, it was very clear that many organisations—whether currently using nationally recognised training or not—considered that their knowledge base about the system was inadequate and that the administrative procedures related to engagement with nationally recognised training were more complex than was warranted.

> It all seems very complex, difficult to get your head around [particularly the training packages] and difficult to explain to staff.	(Purchaser)

> Seemed like too much hassle.	(Non-user)

# Discussion and conclusions

This chapter presents two models, developed from the data, which represent the process of, and reasons for, different levels of nationally recognised training engagement. The nature of the nationally recognised training that is delivered within and to enterprises is then discussed; the benefits of engagement with such training, along with its shortcomings, are summarised. Finally, implications for policy are briefly presented.

The data suggested that certain types of enterprises were more likely to engage with nationally recognised training than others. Enterprises which used nationally recognised training were likely to:

✧ be large organisations

✧ have large numbers of staff in particular occupations

✧ have significant geographical concentrations

✧ have established training infrastructure and some evidence of a training culture

✧ know a great deal about most aspects of nationally recognised training.

Some of these findings about the nature of enterprises using nationally recognised training are characteristics expected of enterprises that are heavy users of training in general.

Enterprises taking the extra step to become registered training organisations were likely to:

✧ have highly specialised skill needs for large groups of workers

✧ be in service sector industries

✧ not be subject to rapid organisational or technological change

✧ not utilise vendor or proprietary training, or training from industry associations to any large extent

✧ involve unions in training decisions

✧ need flexibility in training delivery.

## Models of engagement of enterprises with nationally recognised training

It needs to be emphasised that the models presented in figures 3 and 4 are 'ideal types' and the reality is more complex and problematic than the models suggest. They are not intended to represent exactly the experiences of any of the enterprises studied. In some cases the experiences of the enterprises may occur in a different order from that depicted in the models, or different factors may affect decision-making. In addition, the ownership and management structures of enterprises may be complex, so that, for example, part of an enterprise may be a registered training organisation while another part is not. This was the case, for example, with Bluescope Steel and with Centrelink Call.

### Enterprise decisions about implementing nationally recognised training

Figure 3 illustrates the decision-making points for enterprises considering engagement with nationally recognised training, based on the findings of the study. A preliminary decision the

enterprise must make is whether to become an enterprise registered training organisation or to purchase nationally recognised training from an external registered training organisation. This decision is revisited with each training program considered. For example, an enterprise might become an enterprise registered training organisation to offer mass training to shopfloor workers but might purchase nationally recognised training for managers or technical staff from an external registered training organisation. When purchasing training, enterprises might enter into firm partnerships with registered training organisations, or might purchase nationally recognised training on a one-off basis.

**Figure 3: Enterprises' decisions about delivering nationally recognised training to their workers**
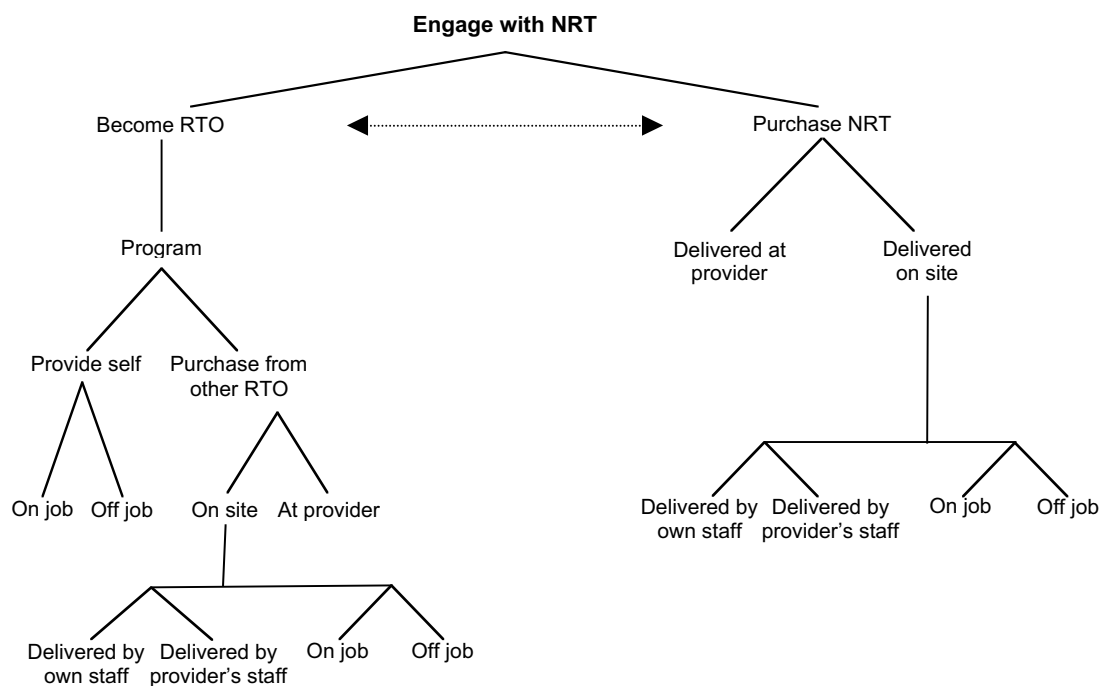


Note:    NRT = nationally recognised training; RTO = registered training organisation.

Training purchased from a registered training organisation might be delivered on site within the company or (in a little over a third of cases), employees might go to the registered training organisation's premises for training. Assessment was more likely to be carried out by registered training organisation staff than by the enterprise staff. Again, decisions might differ for different programs.

Whether purchased or provided by an enterprise registered training organisation, a decision needed to be made about whether to provide training on the job or off the job, or in a mixture of modes. While managers might prefer training provided on the job, there was some evidence that employees liked to have at least some off-the-job training.

There was some evidence that enterprise registered training organisations might abandon their registered training organisation status and purchase training externally. This might occur as external registered training organisations begin to offer training in required areas or might result from a lack of resources to deal with Australian Quality Training Framework compliance or other VET system requirements. In such circumstances the experience of having been an enterprise registered training organisation was a useful learning tool for navigating the VET system and being able to negotiate with external registered training organisations. A more fundamental withdrawal from nationally recognised training may result from the resignation of a key individual responsible for its introduction into the company.

## The development of nationally recognised training in enterprises

The research showed that enterprises varied considerably in the extent of their implementation of nationally recognised training. Some had implemented a few qualifications for specific groups of workers, while others had integrated nationally recognised training fully into their human resource strategies. We suggest a three-phase model for the process of implementation of nationally recognised training as described in figure 4.

Figure 4 depicts the way in which nationally recognised training is often adopted and utilised within enterprises. It illustrates the different factors affecting engagement with nationally recognised training at each of three levels: engagement, extension and integration.

**Figure 4:   Development of nationally recognised training in enterprises**

| Phase 1: Engagement | Phase 2: Extension | Phase 3: Integration |
| --- | --- | --- |
| **Facilitators**<br>✧ Funding<br>✧ Knowledge of VET<br>✧ VET evangelist<br>✧ Training structures<br>✧ Regulatory issues | **Facilitators**<br>✧ Good outcomes from Phase 1<br>✧ Demand from workers<br>✧ Knowledge of VET<br>✧ VET evangelist<br>✧ Ability to mount a business case | **Facilitators**<br>✧ Sophistication of human resource systems<br>✧ Importance of workforce development in business strategy<br>✧ Knowledge of VET system across human resource function |
| **Specific mass training need** | **Adoption for most groups of workers** | **Human resource system based on NRT** |
| Organisation becomes aware of benefits | Training becomes integral to skill formation | |
| **Obstacles**<br>✧ Senior management resistance<br>✧ Lack of suitable training package<br>✧ Lack of suitable registered training organisation | **Obstacles**<br>✧ Lack of suitable training packages<br>✧ Lack of suitable registered training organisation<br>✧ Withdrawal of funding | **Obstacles**<br>✧ Senior management resistance<br>✧ Lack of suitable training package |

Note:    NRT = nationally recognised training.

## *Phase 1: Engagement*

The process of implementing nationally recognised training was often prompted by the emergence of a specific high-volume training need (which could be associated with regulatory change, such as health and safety-related laws) and was facilitated by the presence of a formal training department or training staff. Engagement might begin with the arrival in the organisation of a VET expert or 'evangelist'. This person often came from the VET system, either having been employed by a registered training organisation or by a training intermediary, such as an employment services provider. The evangelist was also likely to be involved with industry training advisory bodies and/or with the development and review of training packages. Alternatively, the enterprise could be approached by an external provider who was trying to create business for itself. In the latter case, funding could feature prominently in the decision to use nationally recognised training, with the registered training organisation identifying the employment subsidies for existing worker apprenticeships and traineeships available to the enterprise. In some cases, the decision to become an enterprise registered training organisation was also driven by funding, either the attraction of receiving user choice funding or the possibility of selling training to other enterprises or to individuals. The latter possibility might not realise the potential first envisaged.

The desire to use nationally recognised training might be frustrated by resistance from senior management, often as a result of their lack of knowledge of the VET system. The training package might not match the identified need well enough, or may have other flaws. Investigation or trial and error could reveal that there was no suitable (or easily accessible) registered training organisation to deliver the training, in which case the enterprise faced the decision whether to become a registered

training organisation itself (which required considerable resources to be devoted to the development and application process), or to abandon the idea of nationally recognised training.

## *Phase 2: Extension*

In the second phase the enterprise had experienced good outcomes from Phase 1. Workers and management alike were satisfied with the training received and, if training were purchased, with the services of the selected registered training organisations. Extending the training to other groups of workers was assisted by demand from other groups of workers and upon the ability of the nationally recognised training evangelist to identify suitable training packages and to mount a business case for the extension of nationally recognised training.

If the 'fit' of training packages to other groups in the firm's workforce was poor, then nationally recognised training might not extend past the original group of employees. Similarly, it might not be possible to locate other registered training organisations to deliver suitable training to the additional groups of workers, or the expertise of training staff within an enterprise registered training organisation might not extend to these additional occupational areas. While funding issues were generally of less importance at this stage, the withdrawal of funding, for example, for existing worker traineeships, could jeopardise the extension of nationally recognised training within the organisation or could colour management's likely acceptance of the extension of nationally recognised training.

## *Phase 3: Integration*

Companies which moved into Phase 3 were those in which training had become integral to the human resource capability of the business. Nationally recognised training was used as the basis for the human resource system. This was done through the adoption of competency standards as the basis for recruitment, job descriptions, pay scales and performance management. In fact, enterprises might consider the adoption of nationally recognised training in order to gain these broader human resource management benefits rather than solely for training purposes.

Movement into Phase 3 required the enterprise to have well-developed human resource management systems within which the competency standards could be embedded, or alternatively, the resources to create such systems based on the standards. Human resource staff (not only training staff) needed to have knowledge of nationally recognised training, and the company needed to foreground workforce development in its business strategy. Integration could be hindered by senior managers not committed to the idea, and by the lack of competency standards adequately reflecting the whole jobs of groups of workers.

# Nature of the nationally recognised training

Structural arrangements for the delivery of nationally recognised training varied. The following scenarios were found in the case studies:

◇ enterprise registered training organisation delivering all the nationally recognised training received by its workers

◇ enterprise registered training organisation delivering some nationally recognised training and purchasing some nationally recognised training from external registered training organisation(s)

◇ enterprise registered training organisation delivering training to outside customers as well as to its own workers

◇ enterprise purchasing nationally recognised training from one supplier

◇ enterprise purchasing nationally recognised training from a variety of external registered training organisations.

In partnerships, nationally recognised training was more often delivered in the workplace than at a registered training organisation's premises, but this process of 'de-institutionalisation' of training was complex, and decisions were taken on a case-by-case basis. In 19% of cases recorded in the survey, training and assessment were delivered by the enterprises' own staff and moderated by the external registered training organisation, but in other cases, delivery and assessment were undertaken by the registered training organisation staff. Close links between the enterprise and the registered training organisation seemed desirable, but there was no clear picture in relation to whether provider-based or workplace-based delivery was better.

Where delivery was workplace-based, on-the-job delivery was common. While this was beneficial for management, in that training could be carried out as part of normal work activities, and for workers, in that the training was clearly linked to their work, there was evidence from the case study companies that some staff in enterprises considered that it was 'not real training'. The focus of the training as experienced by the workers was on 'collection of evidence', which was sometimes viewed as quite burdensome and even seen as a little bizarre. The more embedded the training was within work, the more likely it was to be included in probationary and performance management processes.

Recognition of prior learning was commonly used, along with training delivery, but there were few examples of recognition of prior learning or assessment-only nationally recognised training. While managers encouraged recognition of prior learning, workers sometimes had an imperfect understanding of the process, and recognition of prior learning did not seem to be as widely used as might have been expected.

# Benefits of nationally recognised training

The reported benefits of nationally recognised training can be divided into two sections: the benefits accruing to the enterprise, and the benefits accruing to individual workers.

## Benefits for the enterprise

Enterprises found that nationally recognised training gave them a structure not only for the delivery and assessment of training but also for workers' career progression, and as described above in Phase 3, for additional human resource management purposes. Training to nationally recognised standards enabled enterprises to be confident of the skills possessed by the relevant workers. Nationally recognised training also meant that enterprises were able to interpret the skill levels of workers joining the company and who already possessed qualifications. Qualifications or statements of attainment (for units of competency or groups of units) also provided a way of certifying the quality of workers either to help win contracts or to help meet regulatory requirements.

Employers were clear that nationally recognised training gave them a competitive edge in attracting and retaining staff, particularly in a tight labour market. It made them employers of choice. There was also some evidence that once one major employer in an industry area adopted nationally recognised training, others were almost obliged to follow suit. In call centres, for example, most major employers seemed to use the training package for customer service staff.

The funding associated with nationally recognised training, although rarely providing a guaranteed additional income, helped to cover training costs and enabled the training function to grow in status within the enterprise.

## Benefits for individual workers

It was clear that nationally recognised training had extended the availability of structured training and of qualifications to industry areas and to groups of workers who would not otherwise have had access. Shop floor workers and customer service operators in particular were the beneficiaries. Nationally recognised training was clearly helping to correct the generally skewed distribution of training reported in the international literature. Not only did the lower-level workers receive more

nationally recognised training than the higher-level workers (which might be expected, since such training is not primarily aimed at managers or professionals), it seemed that nationally recognised training was associated with increased non-accredited training for such workers compared with higher-level staff. In addition, nationally recognised training seemed to be associated with increased training opportunities for part-time and casual staff.[11]

Workers in the case studies were generally pleased with the opportunity to undertake nationally recognised training. There was an element of cynicism, although this did not seem to be widespread, and some workers seemed a little unclear about the nature of nationally recognised training. In general, however, nationally recognised training improved workers' self-esteem and motivation.

## Shortcomings of nationally recognised training

There were two types of shortcomings associated with the use of nationally recognised training by enterprises. The first relates to the difficulty of understanding the VET system and negotiating with it, and the second with the training packages available.

A common complaint was that the VET system was difficult to understand and to access. While the nationally recognised training evangelists had generally gained a good knowledge of the system themselves, they knew that VET jargon was not appreciated by senior management, whom they were trying to persuade to participate in nationally recognised training. Enterprise registered training organisations were much more confident with VET jargon than were purchasers of nationally recognised training. In the latter case, engagement tended to be mediated by the registered training organisation attempting to sell training to the enterprise. This meant that enterprise staff might not have a clear picture of all the options available. In this instance enterprise staff expressed a wish for support and sharing of information from external bodies or from others undertaking the same process.

Incomplete choices and the lack of disinterested information offered by external registered training organisations was a particular facet of a more general problem for purchasers of nationally recognised training, in that considerable difficulties were reported in trying to find suitable external registered training organisations which delivered high-quality training sufficiently focused on the needs of the enterprise and not on commercial gain. A disproportionate amount of time seemed to be spent on negotiating contracts and monitoring the performance of registered training organisations.

For enterprise registered training organisations there was a series of hurdles that had to be overcome before becoming a registered training organisation and ensuring compliance with the Australian Quality Training Framework. The hurdles were felt to be disproportionate to the requirements needed to ensure quality, and enterprise registered training organisations resented the need to comply with different states' and territories' requirements.

While there was general approval of training packages, they could not always meet all training needs of the enterprises. In some of the case studies the enterprises claimed that non-accredited training such as that offered by universities and through proprietary courses met more of their needs than did nationally recognised training. In cases where there were appropriate training packages, enterprises sometimes complained that the packages were not up to date, were too general or did not quite meet their specific needs. These complaints seemed in part to be a result of insufficient understanding of the ways in which packages could be used or, in some cases, a failure to identify company training needs across a range of packages. There were also some complaints about the lack of sufficient learning and/or assessment materials.

---

[11] These findings may, however, be a function of the type of enterprise that chooses nationally recognised training rather than as a result of the nationally recognised training.

# Conclusion

The study showed that nationally recognised training was used in a variety of ways by different companies to meet their training and human resource management needs. Where conditions were right, companies and workers gained significant benefit from nationally recognised training. However, engagement with such training was a demanding activity needing an enthusiastic champion, and something of a leap of faith by the company, especially where an enterprise registered training organisation was to be established. Understanding of the VET system and of competency-based training and assessment were at the core of successful use of nationally recognised training, and the indications were that, despite long-term marketing strategies by ANTA and others, industry still has an imperfect understanding of the opportunities available through such training.

Whether becoming an enterprise registered training organisation or entering into partnerships with external registered training organisations, enterprises encountered obstacles. While it is appropriate that nationally recognised training involves regulations and conditions, a number of these were experienced as unreasonable by enterprises, and indicate unsatisfactory relationships with state accreditation bodies.

Government interventions, such as funding for existing worker traineeships, were appreciated by enterprises. Although funding was often the impetus for finding out about the possibilities of nationally recognised training, and was used to sustain training operations, it was rarely reported as the main driver for the continued use of nationally recognised training. Once benefits became apparent, funding became less important.

# Emerging issues needing policy attention

Increased promotion of nationally recognised training seems to be imperative since, as not only were some non-users completely unaware of suitable training packages and qualifications, even enterprises which used nationally recognised training were sometimes unaware of many of the subtleties involved in using packages. Some of their complaints about nationally recognised training appeared to be related to a lack of understanding, rather than deficiencies in training packages. Increased awareness of nationally recognised training would also assist evangelists in this area in persuading their senior managers to accept nationally recognised training. Promotional strategies could include its potential for use in many areas of human resource management.

In the context of the need for increased awareness of, and assistance with interpreting, nationally recognised training, the disappearance of many state industry training advisory bodies and the amalgamation of national industry training advisory bodies into a smaller number of industry skills councils are of some concern and were specifically mentioned by some respondents as an impediment to the future adoption of nationally recognised training. A number of enterprises clearly valued the links they had formed with industry training advisory bodies at a state level or with staff in national industry training advisory bodies specific to their industry area. The maintenance of such sources of information and support will be an important issue for the new industry skills councils to address in the near future.

For enterprise registered training organisations, difficulties with registration and additions to scope of registration could be assisted by a body which deals with applications from enterprise registered training organisations only, or at the least, by a one-stop shop of information for enterprises wishing to become enterprise registered training organisations or to purchase training from registered training organisations. A disinterested body of this nature would be preferable to the current situation where, as found in this study, enterprises that were not registered training organisations currently access much of their information from external registered training organisations. Such registered training organisations may be (and in some cases were certainly perceived to be) motivated primarily by financial considerations.

It is clear that the use of nationally recognised training by enterprises is strongly influenced by availability of funding, but the study showed that once nationally recognised training is adopted, funding becomes less important. Therefore government funding could be more closely targeted to the start-up phase, and consideration could be given to tapering off funding once this training becomes embedded.

More research needs to be undertaken to determine whether the customisation of qualifications by or for enterprises compromises the integrity of the qualifications. If the training becomes too firm-specific, not only is the issue of portability of qualifications raised, but also is the use of government funding. Many comments by participants in the case studies reflected an awareness of these issues—if not in a clearly articulated manner.

Nationally recognised training appears suited to meeting mass training needs. The capacity to offer training to large numbers of workers is vital to enterprises' performance and competitiveness, and the contribution of nationally recognised training to this should not be underestimated. There is a current focus at national level on niche training needs and on training for innovation. Such training needs are less readily met by nationally recognised training, but appear to be served by strategies already well known to enterprises (such as vendor training and proprietary courses). It is important that the contribution that nationally recognised training can make for the bulk of the workforce and the bulk of enterprises is appropriately acknowledged.

# References

Allen Consulting Group 1999, *Training to compete: The training needs of industry, a report for the Australian Industry Group*, Allen Consulting Group, Sydney.

—— 2004, *The vocational education and training system: Key issues for large enterprises,* Business Council of Australia, Melbourne.

ANTA (Australian National Training Authority) 1995, *Creating industry training partnerships*, ANTA, Brisbane.

—— 2002, *Navigating the training system: A guide for employers,* ANTA, Brisbane.

—— 2003, *Implementation of specific aspects of the user choice policy by states and territories*, ANTA, Brisbane.

Armstrong, J & Overton, T 1970, 'Estimating non-response bias in mail surveys', *Journal of Marketing Research*, vol.14, pp.396–402.

Australian Chamber of Commerce and Industry (ACCI) 2002a, *Employers lead the way in addressing future skill needs*, ACCI, Canberra.

—— 2002b, *Setting the training agenda*, ACCI, Canberra.

—— 2002c, *Training and user choice: The employer perspective*, ACCI, Melbourne.

*Australian Training* 2001, 'Right recipe delivers the goods for big baker', *Australian Training*, 14–15 June.

Barber, P 2003, 'Report on a learning environment analysis conducted on a manufacturing organisation in the photonics industry', unpublished assignment for Charles Sturt University Diploma of Training and Assessment Systems course, Wagga Wagga.

Billett, S & Smith, A 2003, 'Compliance, engagement and commitment: Increasing employer expenditure in training', *Journal of Vocational Education and Training*, vol.55, no.3, pp.281–99.

Billett, S, Ehrlich, L & Hernon-Tinning, B 2002, 'Small business pedagogic practices', in *Envisioning practice: Implementing change—Volume 1*, 10th International Conference on Post-compulsory Education and Training, eds F Beven, C Kanes and R Roebuck, Australian Academic Press, Brisbane, pp.131–8.

Blom, K, Clayton, B, Bateman, A, Bedggood, M & Hughes, E 2004, *What's in it for me? Promoting and supporting recognition in enterprise-based registered training organisations,* NCVER, Adelaide.

Boorman, A 2001, 'How institutions respond to training packages', *Research to reality: Putting VET research to work,* 4th Australian VET Research Association Conference, 28–30 March, Adelaide.

Brennan, R & Smith, E 2002, 'Australian Quality Teaching Framework: Impact of provisions relating to teaching and training qualifications', *Australian Vocational Education Review*, vol.9, no.2, pp.8–23.

Burke, G, Costello, R, Malley, J & Shah, C 1998, 'Assessing demand for VET in Victoria: A framework', Monash–ACER, Monash University, Melbourne.

Callan, VJ & Ashworth, P 2003, *Working together: Industry and VET provider training partnerships*, NCVER, Adelaide.

Confederation of British Industries (CBI) 1989, *Towards a skills revolution,* report of the Vocational Education and Training Task Force, London.

Davidson, M 2004, 'Matrix of state and territory user choice arrangements', unpublished document.

Dawe, S 2003, *Determinants of successful training practices in large Australian firms,* NCVER, Adelaide.

Doucouliagos, C & Sgro, P 2000, *Enterprise return on a training investment,* NCVER, Adelaide.

Down, C 2002, *Qualitative impact of training packages on vocational education and training clients*, ANTA, Brisbane.

Dumbrell, T 2003, 'An industry-led system: Issues for policy, practice and practitioners', *Report 5 – VET practice and practitioners in private/community registered training organisations*, OVAL Research, ANTA, Sydney.

Ferrier, F 2003, *Up the creek without a paddle? New industries and the VET system*, Centre for the Economics of Education and Training, Melbourne.

Fletcher, S 1991, *NVQs: Standards and competence,* Kogan Page, London.

Fontana, A & Frey, J 1998, 'Interviewing: The art of science', in *Collecting and interpreting qualitative materials,* eds N Denzin & Y Lincoln, Sage, Thousand Oaks, CA.

Gientzotis Consulting 2003, *Provision of intermediary services to enterprises by registered training organisations*, ANTA, Melbourne.

Huberman, A & Miles, M 1998, 'Data management and analysis methods', in *Collecting and interpreting qualitative materials*, eds N Denzin & Y Lincoln, Sage, Thousand Oaks, CA.

Lincoln, Y & Guba, E 1985, *Naturalistic inquiry,* Sage, Beverley Hills, CA.

Long, M 2002a, 'What is happening to training? What the ABS training surveys tell us', working paper no.41, Centre for the Economics of Education and Training and ANTA, Melbourne.

—— 2002b, 'Workplace training: The experience of young Australian workers', working paper no.45, Centre for the Economics of Education and Training and ANTA, Melbourne.

Long, M & Fischer, J 2002, 'Project 2000–3 leading edge enterprise: Insights into employment and training practices', working paper no.42, Centre for the Economics of Education and Training and ANTA, Melbourne.

Matlay, H 1999, 'Employers' perceptions and implementation of S/NVQs in Britain: A critical overview', *International Journal of Training and Development,* vol.3, no.2, pp.132–41.

McDonald, R & Fyffe, J 2001, *Return to enterprises on training investment*, ANTA, Brisbane.

McKenzie, P & Long, M 1996, 'Educational attainment and participation in training', working paper no.4, Centre for the Economics of Education and Training, Monash University, Melbourne.

Millar, P 2001, *Concepts of literacy: The role of WELL,* University of Tasmania, Hobart.

Misko, J 2001, 'Australian training packages', unpublished paper, NCVER, Adelaide.

Misko, J & Saunders, J 2004, *Training needs of emerging industries*, NCVER, Adelaide.

Mitchell, J 2001, 'National markets for VET online products and services', in *Making a world of difference? Innovation, internationalisation, new technologies and VET—Proceedings of the 5th annual conference of the Australian VET Research Association*, eds F Ferrier and C Down, p.8.

Moore, R, Blake, D, Phillips, M & Gorman, M 2003, 'Public subsidy of on-the-job training: Policy lessons from California's employment training panel', *Journal of Vocational Education and Training Conference*, London, July.

Opie, R 2004, 'Research procedures', in *Doing educational research*, ed. C Opie, Vistaar, New Delhi, pp.73–94.

Quay Connection, The Research Forum, Albany Consulting Group & McKinna et al. 2000, *National marketing strategy for skills and lifelong learning. The employer survey: Research report,* ANTA, Brisbane.

Ridoutt, L, Dutneall, R, Hummell, K & Selby Smith, C 2003, *Factors affecting the implementation of training and learning in the workplace*, NCVER, Adelaide.

Rosenfeld, V 1999, 'The value of care National Vocational Qualifications: What impact do NVQs have on care organisations in Hertfordshire?', *International Journal of Training and Development,* vol.3, no.2, pp.142–55.

Schofield, K & Associates 2000, *Delivering quality: Review of the quality of training in Victoria's apprenticeship and traineeship system*, Department of Education, Employment and Training, Melbourne.

Sefton, R, Waterhouse, P & Cooney, R 1995, W*orkplace learning and change: The workplace as a learning environment,* National Automotive Industry Training Board, Doncaster, Vic.

Senate Employment Workplace Relations, Small Business and Education References Committee 2000, *Aspiring to excellence: Report into the quality of vocational education in Australia*, Senate Printing Unit, Canberra.

—— 2003, *Bridging the skills divide*, Senate Printing Unit, Canberra.

Smith, A (ed.) 1999, *Creating a future: Training, learning and the older worker*, NCVER, Adelaide.

—— 2003, 'Recent trends in Australian training and development', *Asia-Pacific Journal of Human Resources*, vol.41, no.2, pp.231–44.

Smith, A, Oczkowski, E, Noble, C & Macklin, R 2002, *New management practices and enterprise training,* NCVER, Adelaide.

—— 2003, 'New management practices and enterprise training in Australia', *International Journal of Manpower*, vol.24, no.1, pp.31–47.

Smith, A, Roberts, P, Noble, C, Hayton, G & Thorne, E 1995, *Enterprise training: The factors that affect demand*, Office of Training and Further Education, Melbourne.

Smith, E 2002, 'Training packages: Debates around a new curriculum system', *Issues in Educational Research*, vol.12, no.1, pp.64–84.

Smith, E & Keating, J 2003, *From training reform to training packages*, Social Science Press, Tuggerah Lakes, NSW.

Smith, E & Pickersgill, R 2003, 'Gaining acceptance for accredited training within a university', *The changing face of VET: Reflection, regulation and re-engineering,* Sixth Annual Conference of the Australian Vocational Education and Training Research Association, 9–11 April, Sydney.

Smith, E, Hill, D, Smith, A, Perry, P, Roberts, P & Bush, T 1996, *The availability of competency-based training in TAFE and non-TAFE settings in 1994,* AGPS, Canberra.

Solomon, N & McIntyre, J 2000, 'Deschooling vocational knowledge: Work-based learning and the politics of the curriculum', in *Working knowledge: The new vocationalism and higher education,* eds C Symes & J McIntyre, Oxford University Press, Buckingham, UK, pp.111–22.

State Training Services 2003, *Strategic evaluation of traineeship training in NSW abattoirs*, Department of Education and Training, Sydney.

Swailes, S & Roodhouse, S 2003, 'Employability and workforce development—a policy and practice dilemma for higher education', *Journal of Vocational Education and Training* 5th international conference, *Researching policy and practice in vocational education and training*, 16–18 July, London.

Vandenheuvel, A & Wooden, M 1999, *Casualisation and outsourcing trends and implications for work-related training,* NCVER, Adelaide.

Volkoff, V & Golding, B 1998, 'Drowning not waving: Equity target groups in the marketplace', paper presented at *VET research: Influencing policy and practice,* proceedings of the first national conference of the Australian Vocational Education and Training Research Association, February, Sydney, pp. 60–9.

Yin, R 1994, *Case study research: Design and methods,* 2nd ed., Sage, Thousand Oaks, CA.

# Support document details

Additional information relating to this research is available in *Enterprises' commitment to nationally recognised training for existing workers—Support document*. It can be accessed from NCVER's website <http://www.ncver.edu.au>. This document contains:

Appendix 1: Case study reports
Appendix 2: Case study protocols
Appendix 3: Questionnaires

National Centre for Vocational Education Research

NCVER

This report aims to provide a clearer understanding of how and why enterprises use nationally recognised type of training. It finds that an enterprise's decision to engage in recognised training is not made lightly and decisions are made afresh each time a new training need arises. Successfully embedding recognised training in enterprises involves a three-phase process—engagement, extension and integration. In most cases, it is dependent on: positive initial engagement; extension of training through a 'VET evangelist' who 'sells' the benefits of recognised training and persuades management; and, integration of competency standards associated with recognised training into many human resource processes. The availability of funding strongly influences whether enterprises use recognised training. However, one of the key reasons why more enterprises have not taken up this training is lack of awareness.

Informing policy and practice
in Australia's training system