

**What convinces enterprises**

to **value training** and **learning**

and **what does not?**

enterprises  
training and learning  
develop cultures  
using case studies  
training, what does not?  
learning  
What convinces  
cultures of training  
enterprises

**A study** in **using case studies**

to **develop cultures** of

**training** and **learning**

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# Contents

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Executive summary	5
Enterprise culture: The importance of informal learning	5
Enterprise cultures that amplify the value of training and learning	6
What was convincing about the stage one cases?	7
Lessons for marketing training and learning to Australian enterprises	8
Introduction	10
Background to the study: Its dual purpose	10
Understanding cultures of training and learning—the first purpose	11
Using case studies to ‘market’ training and learning to enterprises—the second purpose	13
Structure of the report	15
The research team	15
Stage One	17
Methodology	17
From site studies to <i>Building on other people’s experience</i>	20
Stage Two	23
Methodology	23
Respondents’ impressions of overall content and style	30
The issue of formal versus informal training and learning	31
The issue of costs and benefits	36
The issue of retention and staff morale	39
Enterprise plans for using the material in the future: For building on <i>Building on ...</i>	39
Revising <i>Building on other people’s experience</i>	41
Conclusions (1): Concepts of cultures	45
Cultures that amplify the value of training and learning	45
Using the language of ‘training cultures’ and ‘learning cultures’	49
Conclusions (2): What is convincing to enterprises?	53
Timing: Reaching an enterprise at the moment of need	53
Talking: The material as a prompt for conversation	54
Lessons for marketing training and learning to enterprises	56
Where to from here?	62
References	63



# Executive summary

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This study of training/learning cultures in small to medium-large sized enterprises was funded as part of the National Centre for Vocational Education and Training Research and Evaluation Strategy. It had two purposes:

- 1 to better understand the concept of *cultures* of training and learning in enterprises
- 2 to investigate what makes case studies and other information about exemplar enterprises interesting and convincing enough that other enterprises will follow their lead

The project proceeded in two stages. Stage One focussed on studying ten enterprises in enough depth that we could construct a comprehensive picture of each enterprise: its culture and the strategies it used—including *why* those strategies were used—to further develop the skills and knowledge of individual employees and of the enterprise as a whole. In Stage Two, material capturing the most interesting and important ideas about training and learning emerging from Stage One was given to a new sample of enterprises. These enterprises were asked to look at the material and give us feedback about what, if anything, they found that convinced them they might profit from rethinking their own approaches to training and learning.

## Enterprise culture: The importance of informal learning

When people in enterprises described their experiences of training and learning, the outstanding feature was how important informal processes were to them. When our respondents, who ranged from shop floor workers to senior managers, said ‘informal’ they meant simply the opposite of formal structured training. They considered formal training to be that which is organised by an expert who has clear expectations of what skill or knowledge is to be learned—whether certified or not, long or short, self-paced or classroom-based. Through further questioning, it became clear that ‘informality’ refers to two different aspects of learning and training:

- ❖ the specificity of the *outcomes* expected: Outcomes can be tightly specified (e.g. everyone who works at this hospital, including volunteers, must understand and live its values and mission). Other times intentional learning opportunities are set up but the exact learning outcome is not determined in advance (e.g. when workplace teams are created or employees put together to solve a workplace problem).
- ❖ the formality of the guidance given the learner: Guidance can be as loose as a casual conversation walking to the car park: ‘is that how *you* do it ...?’; or more intentional through mentoring, network meetings, job enrichment, modelling, etc. The processes are all relatively informal but the final outcomes can be—although need not be—formally specified either in advance through annual performance reviews or retrospectively in an RPL process.

The enterprises’ interest in informal approaches is *not* meant to denigrate formal approaches to training and learning—almost all of them used both. In fact, the point made time and again was that the two approaches need to be used in concert. Informal learning amplifies the value of formal training but informal learning by itself runs the risk of restricting people to old ways of thinking and working.

The majority of enterprises in both stages of the study felt that informal strategies for skill development and expanding the knowledge available to the enterprise is more important and effective than the Australian vocational education and training (VET) sector acknowledges. Information provided to enterprises by authorities in the sector tends to ignore informal processes. To enterprises it appears that the sector is interested in selling its own product (formal training) and not in developing their capacity to grow using a range of approaches.

Where the enterprise is large enough to have an in-house expert in training/learning, it can negotiate between the external formal program and internal informal mechanisms. Many of the companies that could most profit from consistent skill growth do not have such expertise.

The enterprises in our study also pointed out that formal procedures are often costly while informal processes appear to be more economical. They also made it clear that many formal training programs are still very inflexible.

## Enterprise cultures that amplify the value of training and learning

While there is an extensive and well-documented literature on the culture of groups in general and on the cultures of organisations and workplaces in particular, we deliberately went into the Stage One enterprises without a precise definition of culture—indeed, without any preconceptions of what we might find about training, learning or culture in the enterprises.

What became abundantly clear in analysing the data collected in Stage One was that there was *something* about many of the enterprises that made the training and learning they engaged in, formal and informal, deliver special value to both the employees and the enterprise itself. In these enterprises:

- ❖ people talk to one another about what they have learned
- ❖ people are willing to share their knowledge and expertise
- ❖ skill, knowledge and information are *applied* to the work at hand—where necessary the organisation shifts so the new skill and learning can be applied
- ❖ many different forms of learning are used and supported (from the formal certified course to lunch-time meetings and modelling) and they are accessible to those who need or want them
- ❖ everyone in the enterprise is accorded genuine respect
- ❖ there is a can-do climate—that it is *not* all too hard, too daunting, too much trouble
- ❖ the environment encourages and supports people pushing at frontiers, taking justifiable risks
- ❖ there is genuine curiosity about solving problems together

Other Australian research has also noted these characteristics, as documented in detail in the full report.

We concluded that there are enterprises where the culture—the way people relate to one another, the way they co-operate and show respect for one another, the way they afford opportunities to one another—amplifies the usefulness of training and learning. These are cultures where the environment itself stimulates learning, where the whole of skill and knowledge becomes greater than the sum of its parts. In these enterprises training and learning, quite literally, work.

A question remains, however. If there are cultures in some enterprises which enhance the value of training and learning, what do we call such cultures? Does the enterprise have a training culture? Does it have a learning culture? Does it simply have a supportive culture? Having reviewed the recent literature on the subject, and in light of our study, we have become convinced of two things:

- ❖ The idea of a *training* culture is too narrow a concept and aspiration. For several years leaders in the VET sector have urged enterprises in Australia to establish training cultures. The development of a highly skilled and enterprising workforce *is* critically important to any enterprise but, even taking a broad definition of training, there are too many aspects of capacity building, skill development and deployment, workplace learning and knowledge generation which do not fall within the meaning of a 'training culture'.
- ❖ The idea that each enterprise should develop a *learning* culture better captures the sense that a broad and dynamic engagement with knowledge and innovation is needed. Indeed, the phrase 'a learning culture' is in common use and appears to be an ideal that is widely admired. The problem with the phrase is that it has an air of sloganeering about it: another

fad will inevitably come along. Additionally, learning—like training—is only a tool for achieving business ends (which can, of course, include worker morale and community obligation). It would be inappropriate to insist that the *most* important aspect of an enterprise's culture is that it delivers learning.

The fulcrum on which the capacity of an enterprise to gain maximum value from training and learning—formal and informal—turns is its climate of interpersonal relations. The best way to convey that is not by the shorthand of labelling an enterprise's culture as either a 'training' or a 'learning' culture but by pointing to the central action saying: this enterprise has a culture which amplifies the value of training and learning through its interpersonal relationships. In the small to medium-large enterprises we spoke to, the point that it isn't training alone nor learning alone but the dynamics of the relationships within the enterprise that is the key was readily understood and appreciated.

## What was convincing about the Stage One cases?

Three features of the material presented to Stage Two enterprises on the basis of the case studies of Stage One enterprises seem principally responsible for attracting, and holding, their attention:

### 1 The wide scope of the Stage One cases and the element of freshness about them.

These enterprises were not the big well-known names. There was an element almost of delight in respondents 'discovering' and being invited in to these places. And each of the enterprises had interesting, insightful experiences to share. The ten Stage One enterprises were:

Harvey Beef, Harvey, WA – a family-owned meat processing plant with 510 employees and a growing export market. It underwent a major change in thinking about training and learning.

Harvey Newsagency, Harvey, WA – a newsagency in a small country town. This is hardly rocket science, but a considerable amount of training and lively learning happens.

O'Reilly's Rainforest Guesthouse, Lamington National Park, Queensland – a family-owned business, almost an institution since 1926, which has moved in several new directions with corresponding dilemmas.

Pretzel Logic, Perth WA – a rapidly expanding web design company facing all the IT industry's problems such as tools and knowledge changing almost daily, talented people leaving, and a frenetic work pace.

St John of God Hospital, Subiaco, WA – has an enviable reputation amongst patients and employees as a caring place, despite the fact that it faces the same financial pressures as every other Australian hospital.

Salty Seas, St Helens, Tasmania – the enterprise was originally created as a training program for unemployed youth in the area. It is now a prospering private company processing oysters with many of the original trainees now managing it.

Simplot Kelso, Bathurst, NSW – produces all the fish fingers in Australia. The company has been through some difficult times (which people at the plant now call 'the dark ages') but things are being turned around.

South Sydney City Council, Sydney, NSW – the Council, a large and diverse organisation, illustrates many of the problems which need to be overcome in trying to generate a culture where individuals are comfortable sharing their knowledge.

Stelform Engineering, Newcastle, NSW – designs and fabricates pressure vessels; the managing director decided, for hard business reasons, that people's 'soft skills' needed improving, especially, their capacity to talk about sensitive issues.

University of Wollongong Library – has managed to forge a cohesive and impressive whole amongst its wide range of employees in an environment of diminishing resources by taking 'investing in people' seriously.

### 2 The material was 'honest' and 'real'.

We were determined that the material would not be trivialised 'good news stories' but would honour the complexity of the Stage One enterprise's achievements and articulate the challenge ahead for the Stage Two enterprises. We dealt with questions which we know concern businesses: that trained employees will be poached; that some employees don't want to be trained; that training might well have been tried before with

disappointing results. None of the Stage One enterprises had a mistake-free run in establishing a culture which amplifies the value of training and learning.

It cannot be emphasised too strongly that we won the trust of the Stage Two enterprises by keeping the material firmly bedded in real people's experience and *not* patronising, generalising or over-simplifying the issues. The material itself was contained in a professionally designed 130-page booklet titled *Building on other people's experience*.

### 3 We talked to the Stage Two enterprises.

A number of the Stage Two interviewees commented that our visit to discuss *Building on other people's experience* created a deadline without which the booklet might never have reached the top of their 'to do' list. While that deadline was far from irrelevant, the true value in meeting with the respondents was that the conversations themselves became lively learning experiences. As we probed their ideas and they probed ours, their interest in thinking about their approaches to training and learning was visibly engaged and energised.

It needs to be recognised that not all 19 of the Stage Two enterprises were equally convinced by the material. In terms of their future intentions, three roughly equal sized groups could be identified. The enterprises in the first group found the booklet interesting to read and think about but they were not inspired to change their approach to training *at this time*. Enterprises in the second group picked out 'snippets' of new ideas they wanted to try. Those in the third were stimulated to reflect quite deeply about what they were doing.

What is interesting is that there was no pattern to this difference amongst enterprises in terms of their size, industry, location, business environment nor the amount of training/learning they currently engage in. The single difference is rather simple. The least interested enterprises were *satisfied* with what they were currently doing in terms of training and learning. The most interested ones were all doing well in a business sense—so they have confidence to build on—but they were ambitious to do better, and to do better by working differently.

## Lessons for marketing training and learning to Australian enterprises

The key lessons to emerge from this study in marketing the value of investing more in training and learning to Australian enterprises are:

- ❖ in using exemplars to convince enterprises to rethink their approach to training and learning, the examples need to be real and detailed. Rosy, good news stories that make training and learning a panacea are patronising and ultimately unconvincing. People will make up their own minds about what to take from other people's experience if that experience is presented fully
- ❖ calculating a return on the investment made in training and learning is an issue of concern to enterprises but that does not mean they have to see the impact directly in dollars on the bottom line. Much of the workforce change wanted is in the ways employees think about their jobs, think about how the work could be done better. Many of the tools for effecting that change are incremental and intangible. In other words, both the change wanted (the outcomes) and the interventions (inputs) are of a qualitative nature and not readily costed in dollars. What enterprises need to 'calculate' their return on investment is help in deciding what indicators of change they might observe and whether the employees themselves recognise that they have learned and applied that learning. They need proximal not distal indicators of change
- ❖ a key message to convey is that the kind of culture an enterprise has, and particularly the tenor of interpersonal relations throughout the enterprise, shapes the value of the investment in training and learning
- ❖ the most effective channel of communication with enterprises is personal interaction—above all because it allows for conversation and the 'receivers' of messages about training and learning have the opportunity to think out loud about how the information might apply in their circumstances
- ❖ there are people throughout most enterprises who have an interest in training and learning. These people should be consulted along with senior management about training

and learning. They are often far more critical to making decisions about skill and knowledge development, and certainly to encouraging employee engagement, than management

As this summary indicates, the study has been a rich and productive one. It has provided robust evidence of the critical importance of informal learning and new insights into the ways small and medium-large sized enterprises create cultures where the value of training and learning is amplified. Stage Two enterprises said they were convinced at least to think about their current approaches to training and learning because the information from the Stage One cases was frank, generous and authentic. The Stage Two enterprises in the study had the sense that they were learning directly from the Stage One enterprises without the information being mediated by people with an agenda—they trusted the researchers were not distorting things.

A final word: our appreciation is extended to the many men and women we spoke with in both stages of the study. They were thoughtful, gracious and very honest. It was a privilege, and a pleasure, to meet them.

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# Introduction

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## Background to the study: Its dual purpose

As part of its overall strategy to build a systematic research base, the National Research and Evaluation Committee (NREC) identified enterprise culture as a significant 'ingredient' in the take-up—and, as it turns out, in the effectiveness of—training and learning. Therefore, NREC in its 1999 funding round nominated as one of its key research priorities, the study of training/learning cultures in enterprises.

It was already clear from a wide range of recent work (for example, Hayton et al. 1996; Field 1997; Australian Bureau of Statistics 1998; Schofield 1998), some of which was sponsored by NREC, that there is great variability in the extent to which small and medium-large sized enterprises engage in training. The differences observed could be attributed to a number of independent factors—among them: whether the enterprise faces skill shortages; whether it is subject to changes in technology, management practice or quality assurance; the nature of the company's market ambitions; the availability of training; the cost of training; the immediate financial pressures bearing on the company; the extent of poaching in the industry; worker turnover; union relations; government policies, regulations, incentives and such like. None of these factors is particularly surprising and it is clear that each makes a contribution to the decision by an enterprise and by individuals in the enterprise to engage in training.

There remained a question, however, of whether the development of a strong long-term training and learning *culture* in an enterprise is merely the sum of favourable factors/drivers (and the absence of unfavourable ones) or whether a *culture* requires some additional features which lift the commitment to training so it becomes greater than the sum of the contributing parts. Many people in the VET sector, including members of NREC, knew of enterprises that seemed just to *believe* in the value of training while other—apparently identical—enterprises did not. Most had heard of the experience of 'believing' managers/owners who had tried very hard to convince their 'non-believing' colleagues to 'try training' but their arguments had fallen on deaf ears.

The study we undertook, therefore, had a dual purpose. The first was—through a series of case studies of small to medium-large sized enterprises—to understand the training/learning cultures of those enterprises: what training and learning was accessed by the enterprises and *why* managers and individuals did so. The thinking behind their training/learning decisions was as important as the training/learning itself.

The second purpose of the study was to understand how best to use case study material in convincing other enterprises to think about their approaches to training and learning. The example of managers who failed to persuade other managers in the same chain or even the same company to consider doing more training had made a deep impression on us. As had the number of people who had told us that when they hear 'good news' stories of companies with dramatic outcomes from training, their reaction was often to decide the exemplar had some special talent which they unfortunately lacked. They actually became less, rather than more, inclined to follow the training path example.

Case study research of exemplar enterprises is often undertaken in the VET (and other education) sectors with the assumption that when other enterprises and individuals read or hear about the exemplars, they will be inspired to rethink their own approach to training and learning. However, the research never actually tests the efficacy of those stories in influencing the thinking and future actions of other enterprises. This study was designed to take that vital next step.

## Understanding cultures of training and learning— the first purpose

The burgeoning interest in workplace culture is being fuelled by the new global economy. It is fundamentally shifting the nature of services and products in demand (or for which a demand might be created) and the technologies of production and communication. This requires concomitant changes in most, if not all, enterprises. It demands more skilled, dynamic and innovative work. As Schofield (1998, p.11) noted, such changes cannot occur by fiat:

*The burgeoning use of 'culture' in organisations reflects recognition that many organisational changes in structures, functions, business processes or systems do not achieve their goals because they neglect or give inadequate attention to ways in which the organisation can earn the commitment, loyalty and trust of employees at all levels.*

If enterprises are to be dynamic, innovative and entrepreneurial, much more responsibility and control needs to be delegated to workers. This, in turn, requires a shift from traditional patterns of workplace relationships:

*Taylorism's principles of scientific management contained an implicit premise that there were economies of scale in managerial intelligence and that an organisation could be more efficiently operated if its intelligence were segregated in a hierarchy rather than being distributed throughout the organisation ... in such a system there was no need for trust, social capital—workers could be motivated by purely individual incentives.* (Fukuyama 1999, p.224)

Fukuyama goes on to explain that where individuals are expected to work together on complex tasks without formal direction, they need to organise themselves so that co-ordination 'bubbles up' from below. This can only happen when people are able to establish relationships of trust and robust networks.

There is a growing expectation that workers will put 'more of themselves' into their work. Noon and Blyton (1997, pp.121, 123) describe the growth of what they call 'emotion work':

*In most service occupations involving direct contact with the public—for example, airline cabin crews, health care workers, supermarket check-out operators, bank staff, debt collectors—the way in which employees deliver that service has come to represent an increasingly important aspect of that service ... employees are explicitly required to adopt particular sets of 'emotion rules' which define—often in considerable detail—which emotions they must publicly display and which to suppress.*

Since workers' capacity to meet these demands is shaped by the internal environment of the enterprise, it is little wonder that workplace culture is highlighted when enterprises attempt to initiate change.

On the other hand, the word *culture* is, as Raymond Williams is widely quoted as saying, 'one of the two or three most complicated words in the English language' (Fryer 1998, p.8). Culture appears in many contexts—from street gangs to buried civilisations—and each can be examined by scholars through a plethora of lenses (the culture of kinship, of governance, of learning). Many cultural 'lenses' are applicable to a study of the development of skill and knowledge in enterprises. One could, for example, examine the culture of leadership, of management, of change, of communication, of communities of practice, of distributed cognition, and more.

The culture of workplaces and how those cultures influence learning in the enterprise has been the subject of both practical and theoretical study (Billett 2001; Sefton, Waterhouse & Cooney, 1995; Maglen, Hopkins & Burke 2001; Karakowsky & McBey 1999; Cornford & Beven 1999). Most of these studies have been directly concerned with the teaching/training/learning process: how effectively and perceptively the people responsible for employees' learning (usually professional trainers and educators) undertake their role. The workplace environment is a factor which can help or hinder that learning, for example, by the extent to which people are psychologically 'present' at work (attentive, focussed, connected and integrated in their role performance).

Our research was not directed at the specifics of using the workplace as a site for teaching, training and learning. While we were necessarily interested in what people had learned and the general approaches which had been taken to generate that learning, our focus was on the broad ways an enterprise's culture shaped its overall attitude to, interest in, and use of training and learning. Three dimensions of organisational culture are central to this:

- ❖ culture is deeply embedded, even hidden:
  - Argyris and Schön (1978) first called attention to the difference between the espoused values people in an organisation hold—what they will *say* to explain what they are doing—and the much deeper assumptions which actually determine what they *do*, which Argyris and Schön labelled theories-in-use. Later work by Schein (1992) focussed on ways organisational leaders and other interested observers can dig down into the 'mysteries' of an enterprise—to the theories *in use*—to understand its culture and to set about the difficult, but not impossible, task of changing it.
- ❖ culture is fundamentally about interpersonal relationships:
  - The culture of an organisation determines (and is determined by) the ways people at work relate to one another and their attitude to their employer. These relationships can be observed in the way people help or fail to help one another, whether they respect one another, whether they 'network' and how inclusive those networks are, whether they share their knowledge and skill, and whether they are willing to take risks. It is through these interactions that culture creates the social capital of the enterprise—one might say that the social capital of an enterprise lies in its culture of personal relationships.
- ❖ culture can be changed:
  - It is often pointed out in the management literature that one of the responsibilities of senior management is to shape an enterprise's culture. Managers can certainly try to change the culture and work dynamic of their enterprises. They sometimes succeed. Where there is a contradiction, however, between management's story about the culture of the enterprise and the stories people tell one another when the boss isn't listening, it is the workers' stories that count. Culture is what everyone *feels*—not what management declaims. It is also the case that the leading influences on culture can originate from any place in the enterprise

## Undertaking this study of enterprise culture

Understanding the approaches to training and learning taken by ten small to medium-large (three to 1000 employees) enterprises was primarily to be achieved by case studies. Stage One of the research began with a search for ten enterprises which had developed, or were developing, a culture that promotes training and learning. We left the definition of such a culture very loose—saying to the enterprises we contacted that we were *not* looking for perfection, only for companies that seemed to be able to turn ordinary training and learning into something 'a bit special' for the individuals involved and for the enterprise.

One of the initial complications in considering the cultures of the enterprises we were to study was whether we were searching for *training* cultures or *learning* cultures. At the time the research was started the difference between the two terms was a matter of considerable debate. The vocational education and training sector in Australia had become quite focussed on the word training: the national body of oversight for the sector, for example, is ANTA, the Australian National *Training* Authority; *Training* Packages detail the competency standards to be achieved through VET; there had been a *Training* Guarantee levy. On the other hand, the idea of a *learning* organisation, first popularised by Senge (1990) and further developed by his group (Senge et al. 1994; 1999) had been picked up across the management literature and had become something of a mantra—the goal any sensible enterprise would aspire to.

Our Stage One cases were designed to explore what the enterprises, and individuals at all levels in them, were doing with respect to training and learning and, most importantly, why they were doing it. We were as interested in their thinking as in their doing, and in the culture of the enterprise that quietly shaped their thinking. To investigate these issues adequately, we paid a great deal of attention to two aspects of case study methodology:

- ❖ finding diverse sites:
  - In identifying the enterprises to use in both stages of the project, we were determined to contact a wide range of individuals and agencies who might suggest possible candidates. Thus our sources across the country included not only industry training advisory bodies (ITABs), registered training organisations (RTOs), and government authorities *inside* the VET sector but regional development authorities, business enterprise centres, the Australian Institute of Management and other consultants from *outside* the sector. The richness of the resulting samples in terms of their variety and freshness has been a distinguishing feature of the study and one which the Stage Two enterprises consistently said fuelled their interest in the material;
- ❖ asking diverse questions:
  - Site visits to most of the Stage One enterprises and to a number of the Stage Two enterprises were conducted by two-person teams. The logic being that the provision of two perspectives was likely to result in following different ‘trails’ during our questioning and then forcing a more thorough examination of our individual interpretations of what we were seeing and hearing. The value of the approach far outweighed its cost. Interestingly, interviewees did not find it intimidating to be interviewed by two people.

These two tactics proved extremely important and contributed substantially to the final quality of this study. We recommend they be adopted more widely.

## Using case studies to ‘market’ training and learning to enterprises—the second purpose

The case studies were intended not only to provide insight into the cultures of training and learning in the ten Stage One enterprises, but to serve as the source of material to give to a second sample of enterprises (the Stage Two enterprises) to see what, if anything, they found in the material that convinced them to rethink their approaches to training and learning. The case studies were, thus, a vehicle for better understanding how to market the value of training and learning.

Marketing campaigns are typically based around a matrix consisting of three principal elements:

- 1 the target audience(s): the whole of the intended population segmented according to one or two key characteristics
- 2 the message(s) to be directed to each segment (and why)
- 3 the channel or modes of communication which would most effectively reach each audience segment and through which the message would be best grasped

The most systematic and comprehensive marketing survey about training in Australia is the National Marketing Strategy for Skills and Lifelong Learning in Australia (Quay Connection et al. 2000a; ANTA 2000)—which is generally referred to as the ANTA marketing strategy. The study primarily focussed on the way individuals think about learning and training and found that most people like learning—are keen to learn—but have quite negative feelings about formal study. One component of the study did survey enterprises by telephone interviews to gain their views about training and learning. The survey identified three employer segments and the marketing team has devised strategies for each:

- ❖ ‘high achievers’ (44% of the sample): who value all forms of training (on- and off-the-job, including non-work employee learning). The marketing goal for this segment is to ‘increase these enterprises’ investment in VET and enlist their support’ through such strategies as:
  - improve VET delivery systems and customer satisfaction
  - increase the tangible benefits that employers can derive from their training
  - reinforce employer support for all forms of learning by making the tangible and intangible benefits more explicit

- ❖ here and now' (37%); who value training but prefer on-the-job training and do not value non-work employee learning. The marketing goal for this segment is to 'get them in—keep them in' through such strategies as:
  - improve the delivery system and remove barriers
  - reinforce realistic expectations and why there is an urgency to invest in training
  - utilise credible influences and support mechanisms
- ❖ 'not interested' (19%): who see problems associated with training (including the cost) and are least likely to offer formal training to their employees in the next 12 months. The goal for this segment is to find a new way forward. The suggested strategies include:
  - improve the ability of employers to act and address barriers
  - increase awareness about the central role of skills and learning in small business success
  - increase awareness of the benefits of training on the profitability and on-going viability of small business

The ten Stage One enterprises in our research all valued learning but it is not obvious that they would have been rated as a 'high achiever' in terms of ANTA's criterion as their use of the formal integrated VET sector varied. They all invested significantly in informal learning. Some also bought formal training, not all of which would be recognised in the Australian Qualifications Framework. Our purpose in using the Stage One enterprises as a base for marketing, however, was not to rate the enterprises in terms of commitment to training and learning, formal or informal, but to extract from them material about their training and learning which might prove stimulating and useful to other enterprises.

One might look on our approach to understanding how best to market the idea that enterprises might rethink their approach to training and learning as complementary to the ANTA marketing strategy. Rather than using a set of questions about the respondents' direct experience, we focussed the discussion on the experience of other enterprises (the case studies) and we asked them to make detailed judgements about the material presented. As a consequence our data is rich but acquired from a relatively small sample of 19 Stage Two enterprises. The ANTA survey contacted more than ten times that number of enterprises (252 employers surveyed) but, necessarily, provided them with a more limited range of stimuli.

## Undertaking this study of 'marketing' training and learning

The detailed Stage One enterprise case studies were used as the basis for developing two 'products' which we thought might prove stimulating and useful to the Stage Two enterprises. The two products were:

- 1 a suite of themes and issues—twelve in all—which drew out the *business* perspective on training and learning. The issues included whether training is a cost or an investment; staff morale, staff retention; what about the people who don't want more training? A few pieces explored the kind of learning that seemed most productive and this led to a consideration of the role of informal learning in enterprises and the way enterprise culture operates to enhance or inhibit applicable learning and innovation.
- 2 'case stories'. The full case studies were rewritten into shorter versions (5–6 pages) which focussed on those aspects of the enterprises' experience which we thought were the most insightful and important.

Both the themes/issues product and the case stories were then compiled into a professionally designed spiral bound booklet of some 130 pages titled *Building on other people's experience*.

The twenty-one enterprises selected for Stage Two were not chosen to directly match the Stage One enterprises but were selected to be as diverse as a small sample could be in terms of industry, past training/learning, location and size. They were asked to look at the booklet *Building on other people's experience* and give us feedback about what they found most helpful and interesting, whether anything in it led them to think differently about their own enterprise's training and learning, what other information they might have wanted, and any improvements or ideas they could suggest. The richness of the data far exceeded our expectations.

## Structure of the report

The remainder of this report is structured in four chapters to reflect the two stages and the two purposes of the study:

- ❖ Stage One: Methodology and findings; producing Building on other people's experience
- ❖ Stage Two: Methodology and findings
- ❖ Conclusions (1): Concepts of cultures
- ❖ Conclusions (2): What is convincing to enterprises?

The relevant literature is reviewed and discussed in the context of the findings in the two Conclusions chapters.

## The research team

A large research team was brought together for this study because we were convinced that we needed different perspectives both in interviewing during Stages One and Two and in analysing the rich and extensive data collected. While not all members of the team engaged in writing the case study material or the final report—and for that reason do not appear as authors—all contributed significantly to the project.

We were right in thinking that we needed to bring to bear the views, knowledge and insight, of a range of people. The background of the research team included those who work as trainers, those experienced in organisational development and business strategy, those who advise industry, and those who develop policy in the VET sector. All were experienced interviewers. The many meetings the team held during the course of the project were lively, especially on the occasions when people either didn't understand or actually misunderstood one another. If a large and diverse team is not always an efficient or inexpensive way to conduct a research project, the quality of the work—the way ideas and plans are tested and probed at all junctures—attests to its overall effectiveness.

The members of the consortium:

Anna Alderson – a director of AAAJ Consulting Group (which was established in 1998) with special expertise in developing training programs. Prior to working as a consultant she was director of Meerilinga Young Children's Foundation. She is also an experienced university lecturer and researcher—including research undertaken about policies and politics in the VET sector.

Anna Blackwell – executive officer of the Building and Construction Industry Training Council (WA) which is, in national parlance, an ITAB (an industry training advisory body). Anna brought to the group a detailed knowledge of skill development in the trades and construction area. She is also an experienced teacher with a background in competency-based education.

Anne Butorac – a director of AAAJ Consulting Group with special expertise in mentoring and on working with people from diverse backgrounds. Prior to working as a consultant Anne was manager of the Social Justice Branch in the Education Department WA.

Jane Figgis – project manager of this study; a director of AAAJ Consulting Group with expertise in communication and on the impact of research. Prior to the establishment of AAAJ she was a broadcaster with ABC Radio National producing and presenting such national programs as Science Bookshop and the Education Report.

Keith Mitchell – organisation development manager, Sealcorp Holdings Limited. At the start of this project, and for most of the duration, Keith was organisational development manager at Burswood International Resort Casino. He has a long-standing interest in training—he led Burswood to be accredited in the international *Investors in People Program* and he was a member of the 1998 national task force investigating the development of a training culture in Australia.

Lyn Sherwood – managing director on the Construction Skills Training Centre (WA). Lyn has had a distinguished career in education—initially as a schoolteacher and eventually a district superintendent in the Education Department, WA. From 1992–2000 she was the chief executive officer of the Building and Construction Industry Training Council (WA) where she oversaw the development of innovative training programs and approaches to funding training.

Moira Watson – manager of QRD Consulting which is a branch of West Coast College of TAFE in Western Australia. Moira has been responsible for a variety of projects involving the development of complex training programs for public and private sector enterprises.

Ann Zubrick – a director of AAAJ Consulting Group. Ann is a developmental psychologist and was Foundation Professor and head of the Department of Speech and Hearing Sciences at Hong Kong University. She serves on a number of government committees and has reviewed and evaluated education programs in Australia and internationally. She is an expert facilitator.

# Stage One

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The first stage of the project was to carry out case studies of ten small to medium-large sized enterprises. Case studies are used for many purposes (Yin 1989, p.13 ff). Our Stage One cases were designed to explore what the enterprises, and individuals at all levels in them, were doing with respect to training and learning and, most importantly, why they were doing it. We anticipated that during our time on site we would be engaged in wide-ranging discussions and observation—as indeed, it proved. However, our intent, was ultimately—and quite openly—to obtain only two kinds of information:

- 1 indicators of a training or learning culture at the site
- 2 experiences which, when recounted well, might help convince other enterprises to rethink their approach to training/learning

This chapter describes the way the original cases were selected, the site studies carried out and the findings analysed. The development of the booklet *Building on other people's experience* is explained in some detail as it constitutes the material which went to the Stage Two enterprises. A discussion of the findings on enterprise culture appears in the chapter Conclusions (1) where the data from both Stages One and Two enterprises can be jointly considered.

## Methodology

### Selection of Stage One enterprises

While sample selection in quantitative research has been rigorously developed and tested over the years, the selection of cases in qualitative case study research is not always subjected to the same scrutiny and analysis. We decided at the outset that choosing the *sources* that might suggest case enterprises was a critical step in the selection process. If the source is narrow, or confined to one group of stakeholders in vocational education and training, then the final sample will inevitably be narrow. For that reason we approached the task of identifying Stage One case studies by approaching a wide range of potential leads. These included contact (mostly directly by telephone) with:

- ❖ practice firm co-ordinators in Technical and Further Education colleges (TAFEs) throughout all States and Territories
- ❖ 10 national industry training advisory bodies (ITABs)
- ❖ a few private registered training organisations (RTOs) and the Association of Private Training Providers
- ❖ the individuals in each State and Territory and at the Australian National Training Authority (ANTA) who manage the Annual Training Awards
- ❖ State training authorities
- ❖ the Australian Institute of Management
- ❖ business enterprise centres
- ❖ regional development networks
- ❖ people working on the national Marketing Strategy for Skills and Lifelong Learning
- ❖ various management consultants whom we know do excellent work helping client organisations to improve their human resources function

Further, enterprises which had been used in previous case studies were considered (particularly in the series of research reports by A Smith, P Roberts, C Noble, G Hayton, J McIntyre, and R McDonald done 1994–1996 for ANTA and the Victorian Office of Training and Further Education, OTFE).

Altogether some 170 enterprises were collected in this net. It was easy to eliminate many of them because no matter how insistent we were that we wanted local colour and direct relevance to small/medium-large sized companies (or sites), many of the suggestions were of large multinational companies whose 'loose change' for training programs far exceeds the annual turnover of smaller enterprises. We also wanted examples that were fresh, even surprising. We whittled the list down to 35 enterprises which all appeared to be credible case studies.

The next step was to create a matrix to prioritise the 35 'candidates'. The attributes on which selection was based were:

- ❖ training/learning initiatives
- ❖ size
- ❖ networks/supports
- ❖ industry sector
- ❖ regional or metro location

The attributes of the ten enterprises finally selected are set out in table 1.

**Table 1: Stage One enterprises**

<b>Enterprise</b>	<b>Source</b>	<b>Size</b>	<b>Training/learning focus</b>	<b>Location</b>	<b>Industry sector</b>
Harvey Beef	ANTA website: a 'good news' Training Package story	510	has changed its approach to training	Harvey, WA	Meat processing
Harvey Newsagency	business enterprise centre	4	owner is a good networker and a 'seminar junkie'	Harvey, WA	Newsagent
O'Reilly's Rainforest Guesthouse	ITAB	50	emphasis on multi-skilling; business expanding into new markets	Lamington National Park, Queensland	Hospitality
Pretzel Logic	AIM	50	coping with acute skill shortage in the industry	Perth, WA	ICT
St John of God Hospital	local reputation		diversity of training linked to sense of mission	Perth, WA	Health
Salty Seas	ITAB		developed from a training program for unemployed youth	St Helens, Tas	Fishing
Simplot Kelso	Community College (TAFE)	180	designed own training program	Bathurst, NSW	Food processing
South Sydney City Council	TAFE; training award winner	1000	diversity of training; interested in improving internal culture	Sydney, NSW	Local government
Stelform Engineering	regional industry network	100	introduced 'soft skills' training to managers	Bennetts Green, NSW	Metal fabrication
University of Wollongong Library	Investors in People	64	accredited by Investors in People; detailed staff development plans	Wollongong, NSW	Library

It may be worth noting that only two of the enterprises we approached to be a Stage One case study declined to participate.

**Note:** the case studies are available from the NCVET website in pdf format

## Conduct of Stage One case studies

Case studies of this nature impose two conflicting demands on researchers. On the one hand, on site the researchers need to be open and willing to follow where conversations with interviewees lead. On the other hand, there needs to be enough rigour and discipline in collecting data that it is capable of being contested or validated by others. The consortium put together for this project resolved the tension by thinking through in advance how to be both responsive and rigorous.

### Responsiveness

The ethnographic literature recognises that 'culture' is a complex concept—not least because cultures are dynamic and change over time, sometimes quite rapidly. For purposes of analysis, however, it is generally agreed that culture can be thought of as having two components. First, a material/behavioural component—what training/learning is done, in our case—which is straightforward (if not easy) to capture. Second, there is a 'mental' component—how people think and feel about training/learning in their enterprise and outside it—which is much more difficult to uncover. Ethnographers insist that the latter requires a very open approach. By asking what one ethnographer refers to as the 'grand tour questions' (Spradley & McCurdy 1972) informants are given an opportunity to open up their world and what is of particular significance to them.

The relatively new strategy of Appreciative Inquiry takes a similar approach. Its advice is to:

*Suspend one's own assumptions and not be content with superficial explanations... question the obvious and do this in more of a conversational, self-disclosing way than is normally taught in interviewing courses.* (Bushe 1995)

We adopted many of the principles of Appreciative Inquiry in our interviews and group discussions. We took considerable care to think through the way we would handle these conversations, especially because we were to talk to people in very different jobs, with different experience, different seniority and with different ways of speaking and listening. We believe it is worth identifying some of the 'hints' for interviewing well that we developed for these case studies:

- ❖ Make-it-strange: in certain circumstances a good opener is: 'Imagine I am a visitor from Mars and I hear people talking about things like staff development, training, learning-on-the-job but I don't know what they mean. What could you tell me about these as they exist in your organisation to help me understand these things?'. This strategy works well where you want to help people bring some of their taken-for-granted knowledge to the surface.
- ❖ Ensure that the language used and the way questions are framed match the expectations and style of the informants.
- ❖ Useful probes include:
  - Tell me more ...
  - How do you know? ...
  - Why do you say that? ...
  - Give me an example ...
  - That's interesting. Tell me more ...
- ❖ Don't talk too much—think of it as a conversation but one where the researchers do the minimum amount of talking.
- ❖ Silence is very useful. Often the informant will fill the gap and tell more. Silence can be a good thinking time for the interviewee and the interviewer.

### Rigour

The many texts on ensuring that qualitative research delivers robust and reliable findings (for example, Atkinson & Delamont 1985; Delamont 1992; Lee 1999; Punch 1998; Robson 1993; Yin 1989) all advise that one must be clear ahead of time about what one is looking for and that many sources of evidence must be accessed.

One of our key strategies, and one which we would recommend to others, was the use of two-person teams on site. The reason for this, as we pointed out in the project description sent to the enterprises, was to ensure that consortium members with different perspectives and experience could listen to and observe what the individuals and enterprises were saying and doing. It is an immensely effective strategy and, while it increases the cost of case studies, the value it delivers in terms of quality and depth more than compensates for the cost. We found the following:

- ❖ Researchers debating and, therefore articulating, *during* the case study some of the questions and uncertainties they had. This meant we had an opportunity while still on site to probe and gather more evidence.
- ❖ Different researchers did notice things that their team partner had missed or assigned less weight to.
- ❖ The dynamics during the interviews and group discussions underwent interesting small shifts in tone and interaction as one researcher or the other took the lead in questioning. On occasion we could play the 'good cop – bad cop' routine.
- ❖ Conversation between the researchers during the interviews/discussions made the experience more engaging for the interviewees and helped them to think more deeply. It was clear that having two people who have a good rapport between them seems to make it easier for the interviewee—*less* intimidating than facing a single questioner.

Reflecting on why this two-person team approach was so powerful, we realised that we were effectively creating a second mode of 'triangulating' evidence. It is normal practice to 'triangulate' information coming in—to obtain it from more than one source. In a sense what the two-person teams were doing was to triangulate—multi-source—the questions *and* the style of question, questioner.

## Site visits

The enterprises were visited between March and June 2000. Most of the site visits (seven of the ten) were conducted by two-person teams from the consortium.

## From site studies to *Building on other people's experience*

The decision was taken early on that the material to go to the Stage Two enterprises would be of two types. One would be stories about the experiences of the Stage One enterprises; the other would be a set of 'themes and issues' that could be drawn from the original cases and which might be of interest to the Stage Two enterprises. The development of these two 'products,' the ten case stories and the twelve themes/issues, were eventually compiled as the booklet *Building on other people's experience*. They are briefly described here.

## Case stories

The interviews, conversations, observations and analyses of documents all contributed to an initial write-up about each enterprise which could be called the 'full' case study. These descriptions were long. We eventually decided they were, in fact, too detailed and wordy to effectively convey the most important and interesting approaches to training and learning that the enterprises had grappled with. Consequently, the full material was rewritten into five–six pages—called 'case stories'—which focussed on the enterprise's (and individual's) most relevant experiences.

In revising the material into stories, we were mindful of the work being done in the developing area of case-based reasoning. While the area's primary focus involves computer database cases, there are some interesting precepts developing in the field (Leake 1996) which were relevant to writing our cases in ways enterprises would find useful. The precepts include:

- ❖ Cases are important because people don't usually think from first principles: mostly people think by remembering incidents, experiences—i.e. *cases*—and when a similar situation arises, the knowledge and decisions embedded in that case provide the starting point for interpreting the new situation or problem.

- ❖ The best cases teach a useful lesson.
- ❖ The best cases—the most memorable cases—are those which are different in some way from what is expected.
- ❖ One simulation program based on a case study database actually prompts the user by asking ‘do you want to hear about what happened to someone who did what you just did?’.

The case stories, above all, were written to be readable—indeed, the intention was to have people in Stage Two *enjoy* reading them.

Each case story was checked for accuracy by the enterprise. A few small changes needed to be made but the enterprises were well satisfied with our portrayal of them—a few, in fact, said getting the feedback about how outsiders viewed their approaches to training and learning was not only valuable but was the reason they had agreed to take part in the project.

## Themes and issues

Generating themes and issues from the case study material was a more complex process than we had anticipated. This may have been in part because the database from the case studies was so rich. Also, cultures which turned ordinary training and learning into something really effective varied so substantially from one enterprise to the next that every time we went to factor the material into separable products, it felt as if we were losing too much of what we wanted to share.

In the final analysis we used two ‘filters’ through which to reconfigure the case study findings. One was to think about the material from the point of view of an enterprise considering its business imperatives (productivity, maintaining worker motivation, competitiveness). The other was to think about it from the perspective of the known barriers to training (trained employees will be poached; the formal training system is so complicated; training costs too much).

It was another balancing act to write the themes and issues in a manner that did not trivialise the original findings. We wanted to keep the material tough enough that we were not patronising or insulting the enterprises in Stage Two. The themes changed as we tried to bring them to life—for different reasons. The planned: ‘If I provide training should workers get more money?’ was a good idea and two enterprises had something to contribute, but not enough to give it depth. One early idea was to have a special theme for enterprises where the number of employees is growing rapidly, but since anyone facing that problem is, more fundamentally, worrying about issues of internal community and communication, we decided to scrap this as a separate theme.

One important dimension that informed the development of the themes and issues was that they should incorporate principles known to facilitate learning. The literature which deals with the principles of learning is immense but it is effectively summarised and stated in the Western Australian Curriculum Council’s Curriculum Framework (Curriculum Council 1998). They note that the principles of learning (and teaching) are:

- ❖ opportunity to learn
- ❖ connection and challenge
- ❖ action and reflection
- ❖ motivation and purpose
- ❖ independence and collaboration
- ❖ inclusivity and difference
- ❖ supportive environment

Questions were inserted into the themes and issues in an effort to make the material an effective learning tool. The intention was to prompt readers to think about how the ideas related to their own enterprise and circumstances.

## The 'package': *Building on other people's experience*

Originally we had considered using video material as well as written material, putting the cases and themes/issues onto a CD-ROM or web site and incorporating more visual description—for example, specially commissioned cartoons. Time and cost made those ideas unrealistic. Any future developments based on this project should seriously explore those modes for communication.

We did use a professional typographic company to design the booklet. It was their wise suggestion that tab dividers should be used to separate (and title) each theme. The divider pages prevented the booklet from appearing to consist of overwhelmingly dense text. Placing the spiral binding *inside* the two-colour cover gave the finished product a bit of panache and made it clear that this was not an amateur effort, but one on which care and thought had been expended.

# Stage Two

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## Methodology

This part of the project was designed to better understand what convinces small to medium-large sized enterprises to think differently about the learning and training they do and, to understand what inspires them to extend or enhance their engagement with learning and training. As explained in the introduction, the project was carried out in two stages:

- ❖ In the first stage, ten enterprises which had developed or were specifically developing a culture where training and learning ‘work’ were studied. The cases were examined to draw out the themes and issues about learning and training which these enterprises had grappled with. The cases studies themselves were written in a manner that might engage other enterprises, not as complete academic analyses. This material was compiled into the booklet *Building on other people’s experience*.
- ❖ In the second stage, 21 enterprises were invited to look at the booklet and asked to provide feedback on whether the themes, issues and stories were interesting, helpful or convincing to them.

The role of the Stage Two enterprises was explained in *Building on other people’s experience*. Readers were asked to go through the booklet and think about what grabbed their attention, what was interesting, what was helpful, what might be useful to them or someone else, what might be improved, etc. They were told that we did not expect them necessarily to read all the material. Even if they were to select and read only two or three items in detail, that would still be very useful to us.

We inserted copies of a simple one-page ‘questionnaire’ in which the reader was invited to consider:

- ❖ What about this particular item captured your interest?
- ❖ What more would you like to know about this issue (or enterprise)—either from us or from the people we visited?
- ❖ Are there other materials about training, learning, work, organisations related to this issue or story that have been useful to you? What are they?
- ❖ Tell us about aspect(s) of this topic you could use specifically in your enterprise.
- ❖ Would you need to make modifications in the way you apply the idea(s) ... what are they? ... how would they help?
- ❖ Any other thoughts?

## Selection of Stage Two enterprises

Potential Stage Two enterprises were identified through a process similar to that in finding the ten Stage One cases: a deliberate effort was made to access a range of sources who would be familiar with ‘interesting’ enterprises—for example, ITABs, Australian Institute of Management, business enterprise centres, regional development networks, RTOs (public and private), participants in leadership workshops, consultants and professional colleagues. We were looking for enterprises which were varied in terms of industry, size and location—in this they were similar to the range of enterprises in Stage One although no attempt was made to match Stage Two enterprises to the Stage One cases.

The use of these sources meant we did not expect to find enterprises which had absolutely no interest in learning or training. What we did ask for were enterprises that might be *concerned* about their involvement with training or learning—and we left it at that, not specifying what

their concern might be. As it turned out, that loose definition brought us into contact with a wonderfully rich and interesting group of enterprises. It should be said that most of the Stage One enterprises would also have described themselves as 'concerned about learning and training'.

We recognised that asking people to read this material and discuss their reactions with us was asking a considerable favour of the enterprises. We were prepared to have many refusals. In the end, only two of the enterprises we contacted declined the invitation to participate, although two companies did pull out later. The first to withdraw, a gear manufacturing company, explained that the original contact had left and the managing director felt the company was simply too busy with production to spare the time. The second, a transport firm, did not give a reason.

Interestingly, we had a few enterprises 'volunteer' to participate. One inter-sectoral regional library planning group knew of the booklet *Building on other people's experience* because a member of the group was from the City of Albany which was a Stage Two enterprise. In another case, a Commonwealth government department heard about the booklet during a panel discussion and asked for copies to use in their corporate planning. We sent copies to those groups but did not expect them to become involved in the project. However, one community service group, Mofflyn, happened to hear about the booklet (one of the consortium members is on Mofflyn's Board) and they did become a participant in Stage Two.

The interviews were conducted between 5 November 2000 and 25 January 2001. A draft of this chapter was sent to the interviewees to ensure we had correctly reported their views. Their feedback has been fully incorporated in this report.

## Thumb nail sketches of Stage Two enterprises

This section lists, alphabetically, the enterprises which took part in Stage Two: their location, industry sector, size and a brief description of their engagement with training and learning. It needs to be remembered that these enterprises were not treated as case studies. The process with them simply involved interviews with a few key individuals (or a group) in the enterprise. We did not seek additional data from other sources to confirm what we were told although, of course, the interviews and group discussions involved searching and discerning questions.

### ACI Glass – Adelaide, SA

The Adelaide plant specialises in the production of bottles for the wine industry

280 employees

Respondent: Des Brown, personnel development manager

#### Training/learning:

With the introduction of new technologies, employment at ACI Glass in Adelaide in the last decade has gone from 700 workers to 250 while production itself has increased. For the new technology and processes to work best, the workers need to be skilled technically and work differently (more co-operatively and entrepreneurially). After a year of planning and designing databases, skills audits, training modules (linked to Training Packages), a rigorous 3-year retraining program began in January 2001. Employees will, in the end, receive an 18% pay increase. The Adelaide training program is also serving as a pilot for similar future programs in other ACI plants. The budget for the pilot program is \$2.7 million.

### Airlight Group – Perth, WA

Primarily contract cleaning but also supplies other services for building maintenance like carpentry and security

1000 employees

Respondents: (interviewed as a group)

Jim Bond, group managing director

Ross Gavranich, group marketing director

Kathleen Gates, general manager, Administration

Mick Skeham, divisional operations manager

Emily Montgomery, human resources co-ordinator

#### Training/learning:

Until 18 months ago, training in the cleaning industry was minimal. There is now a Training Package in Asset Maintenance and Airlight has been investing a considerable amount in training (about half the funding is from government subsidies, about half from the company). The company hopes the training will help change the workers' prevailing attitude 'I'm just a cleaner'. Airlight's ambition is to be the market leader with the motto 'we have a trained workforce'.

Airlight is aiming to achieve a Workplace Silver rating. The initial audit, according to Jim Bond, revealed that 'we were a bit worse than we thought. The auditor suggested we tackle the problems in teams and that has turned out to be the biggest cultural change we've ever seen. We created five teams (training, management review, hazard identification, planning, communication) but the team leaders are not the traditional managers but other people, for example, the person on reception is a team leader. It has been a really good way of doing it'.

### Anglicare – Adelaide, SA

Provides the full range of community services including aged care, family support, youth support in 48 programs spread across 12 locations in the State  
600 staff and 600 volunteers

Respondents: (Blackwood and Battye were interviewed together, the other two separately)

Geoff Blackwood, manager HR

Margie Battye, manager, Alternative Care

Kelly Britton, assistant to manager HR

Lyndall Stuckey, co-ordinator of volunteers for Alternative Care

#### Training/learning:

The central issue for Anglicare is coping with the competitive tendering environment that has been introduced into the welfare/care industry. Anglicare SA has been very successful in winning large tenders but the senior managers are deeply concerned that the business atmosphere is weakening 'our sense of being Anglicare'. As Geoff Blackwood said, 'I'm sometimes afraid I am becoming more interested in the money we bring in than in the service we deliver'.

The changes which have accompanied competitive tendering, for example, the contractual nature of staff employment, have taken their toll in the last year in terms of industrial disquiet although that has been resolved. Anglicare has always provided some training for staff and volunteers but is not particularly satisfied that it is encouraging learning as well and effectively as it would like.

### Ballarat Group Training – Ballarat, Victoria

A registered training organisation and group training company primarily focussed on retail, health, IT, office administration

25 employees (5 of whom are part-time)

Respondent: Peter Lane, CEO

#### Training/learning:

This not-for-profit company is concerned that apprenticeships and traineeships in Australia don't come up to international standards (in terms of both funding and outcomes). Lane, who received a Churchill Fellowship to observe what is happening elsewhere, believes that Australia is currently 'well behind in its thinking and approach to training'. The company participates in a number of business and training networks including the campaign to develop Ballarat as a Learning City.

### Ballarat Visitor Information Centre – Ballarat, Victoria

Tourism industry—the Visitor Centre functions under the auspices of the Ballarat City Council

3 full time employees, 1 part-time employee, 4 casual staff, 38 volunteers

Respondent: Jeannette Horsley, centre manager

#### Training/learning:

Horsley is a committed advocate of training and workplace learning. Some of the centre's volunteers are completing a Certificate II course in tourism but Horsley says the issues involved in training volunteers differ from training general staff training. Volunteers are unlikely to enrol for and attend courses in hours which do not suit them or which contain material irrelevant to their specific needs and interests and, management is in no position to mandate compliance. Horsley is aiming to make the centre a rich learning environment, providing both formal and informal opportunities for extending the professionalism and knowledge of its paid and unpaid workers.

### Boart Longyear – Adelaide, SA

Designs and manufactures drilling equipment for the mining industry

80 employees

Respondent: Wayne Herraman, employee development co-ordinator

#### Training/learning:

Herraman had only been at Boart Longyear seven weeks when he was interviewed (he had been contacted originally at his previous employer, National Foods). In his previous positions (including a number of years at Holden) Herraman had witnessed the beneficial changes that can happen in workplaces and for employees when consistent training and opportunities for learning, are provided *and* workers given more self-determination. At Boart Longyear he is drawing up plans for a considerable increase in training in occupational health and safety and is developing a team-based work organisation on the plant floor.

### Boral Construction Materials – Perth, WA

This division of Boral consists of quarrying (mining and crushing), concrete (batch and tractor plants) and asphalt

approximately 80 full time employees and 40 sub-contractors are employed

Respondent: Bill Stubberfield, training co-ordinator

#### Training/learning:

A new thrust for training occurred at Boral Construction Materials about three years ago when the manager decided to introduce continuous improvement and team building and to emphasise safety. Stubberfield's position was established and a number of workers were approached to undertake Workplace Training and Assessment Certification. These workplace trainers maintain an operational role (about half-time). The training materials are developed with the full participation of workers whose contribution is noted on the final products.

### Boyanup Auto and Rural – Boyanup, WA

Combined retail and workshop in a small country town

7 employees

Respondent: Jenny Reid, owner/manager

#### Training/learning:

This small business has not been systematic about training its employees but they have had apprentices in the workshop and individuals have been sent to short courses with demonstrably positive outcomes. The husband and wife who own and manage the business (with a third partner) have very different attitudes towards training and learning: He left school early and has little interest in formal study; she is an eager learner and sees the potential if the staff were further skilled and everyone was more 'open to learning'.

### City of Albany – Albany, WA

Local government in regional WA

250 employees

Respondent: Chris Grogan, corporate planning and development officer

#### Training/learning:

The council has been through a few major disruptions in the last four years with the amalgamation of councils and further management restructures. But, starting in July 2000, they decided to take a comprehensive and systematic approach to address the training needs of all staff and have allocated \$90 000 in the year's budget for that purpose. They recently conducted an IT skills audit of staff and are organising training to fill the gaps identified. A course in project management for 12 professional staff is underway. It is worth noting that this course is being delivered by the Australian Institute of Management, which was 'willing to customise the course to meet our specific needs where the universities we approached were not'.

### Cleandustrial – Perth, WA

Contract cleaning for schools, commercial and industrial sites

150 employees

Respondent: Paula Squibb, general manager

#### Training/learning:

Cleandustrial is interested in its workers being fully trained and would like them to see their employment as a real career. The company has used various RTOs to provide training but believes that sometimes the RTOs misconstrue the company's intentions and assume that training subsidies are more important to companies than the quality of training. Often the training provided is not substantial enough and the trainees do not become as competent as would be expected. Because the workforce is dispersed to the various cleaning sites, it is difficult to establish a culture where workers know they are valued, which is what Squibb would like to create. One tactic they have taken to counter a *Them and Us* culture is to invite the employee of the month to attend management meetings.

### Godfrey Hirst – Geelong, Victoria

Carpet manufacturing

Overall 1100 employees, about 800 at the Geelong plant (of these approximately 650 in production, the remainder in sales and administration)

Respondent: Bill Killin, training manager

#### Training/learning:

Godfrey Hirst is an old company with a formal hierarchical structure. The major change on the horizon is the tariff reduction regime which will impact on the whole industry in 2005. Formal training with site-produced training manuals for operating the production processes is an established aspect of the company culture. Beyond this fundamental production training, however, training has largely been reactive and often in response to new regulations and legislation. As Killin pointed out, it is easier to say 'the law says ...' than 'I say ...'. Killin would like to see learning play a more dynamic role in the company. He would like to develop a mentoring scheme and to enable workers in general to take a more pro-active role.

### iinet – Perth, WA

An internet service provider (IT industry)

100 employees

Respondent: David Phillips, training manager

#### Training/learning:

Established seven years ago, the company has grown especially rapidly over the last two years (from 30 employees to the current 100) partly through acquisitions and partly through customer increase (the current customer base is 50 000). The training needs of the customer service agents, who are the key to success in this business, are complex as the agents have to be both technically proficient (skilled at solving hard technical problems) *and* able to relate well to customers on the telephone, not face to face. Further, this is a young person's frenetic environment where the expectation is that the agents will be on the phone taking calls all the time—that there shouldn't be any downtime. On the other hand, the company recognises that its agents need deep customer service skill.

Phillips identified one interesting training tactic for the company: that it trains its *customers!* The logic is that if even one-third of the customers who call in for help (about 15 000 of the 50 000 customers request help) could fix their own internet access problems, that would take a significant burden off the company.

## Kalgoorlie Business Group – Kalgoorlie, WA

Through the auspices of the Business Enterprise Centre in Kalgoorlie, four local businesses were invited to receive *Building on other people's experience* and speak with us as a group.

Respondents:

Robert Northcoat – Brookman, Northcoat and Associates (financial planning and general insurance)

Michael McClure – McClure and Associates (accounting)

Yev Dudko – Computer Impact (retail and specialty computer outlet)

Bob Wellington – Goldfields Healthworks (health food shop, formerly included a restaurant)

Sally Bennison, Manager Kalgoorlie BEC

Training/learning:

These are all small businesses where people recognise the value of training but find it difficult to access good training in Kalgoorlie and are loathe to spend the considerable resources (both of time and money) required to travel to Perth or the eastern States for courses. While the local businesses do co-operate and try to support one another's learning, people seemed a little discouraged about whether it would be possible to significantly increase the amount of high quality formal and even informal training and learning available to them.

## Mofflyn – Perth, WA

An agency of the Uniting Church, funded by Family and Children's Services and the Disability Services Council, it provides services for children and adults with physical and intellectual disabilities in WA

50 employees

Respondents (interviewed together)

Nova Farriss, director

Liz McNevin, policy and projects

Training/learning:

The community services sector is changing. More tightly specified outcomes have become a feature of funding agreements. This has led to a greater differentiation of staff and management as managers feel the pressures of meeting external accountability and seeking new areas in which to operate. Only recently have they all begun to discuss these issues. Farriss sees training and learning as fundamental to Mofflyn finding new ways of operating and working with one another, their clients and their funding bodies.

Mofflyn has found it more and more difficult to access the right training products. There are many factors which need to be taken into account: the cost, the down time, the needs of the clients. Their total spending on training has actually gone down in recent years as they've tried to become more strategic about what they do. They have found that external trainers too often think of their own needs and expectations rather than the client's.

## Perth City Council, Compliance Service Unit – Perth, WA

The Unit comprises health, planning and building control, security and surveillance services, and parking services

90 employees

Respondent: Dennis Stevens, unit manager

Training/learning:

The Unit recognises training as an important and ongoing part of its normal operation—a recent example is its involvement in a trial project relating to a nationally certified qualification for its parking officers. It sees the competencies involved as a valuable base for future learning and development, and for performance management—as well as benefiting the individuals who gain a qualification. There are mechanisms for informal learning in place such as shadowing and providing secondments for people from other

councils but Stevens, in his second year as unit manager, would like to increase both the formal and informal learning in the Unit. He is particularly interested in the role of workplace culture in training and learning.

### Stellar Call Centre – Perth, WA

Part of a national business providing outsourced call centre services to a variety of industries. The Perth call centre was established to support a client in the telecommunications industry.

350 employees

Respondents: (interviewed as group)

Lee White, business development manager

Lee Winning, quality manager

Daniel Davidson, quality manager

several other staff read the material and filled in questionnaires

Training/learning:

Stellar has been operating nationally since May 1998 and currently has five call centres located across Australia. The importance of formal training is recognised and has been designed to fit each client's specific needs. The key to the business is open book management, and in addition to an effective continual process improvement plan there is a profit incentive scheme whereby staff performance is linked to the overall profitability of the company. Exit interviews are conducted when staff leave and there is altogether an atmosphere of wanting to get things to work in the best possible way. As White points out, 'we need to treat our people the way we want them to treat their customers'.

### Strategic Enterprise Development (SED) – Ballarat, Victoria

A consulting firm specialising in helping the managers of small businesses, it is also a registered training organisation delivering flexible, tailored certificate courses in business practice and management

10 full time employees and contract staff as required for specific contracts

Respondent: Mark Shultz, director

Training/learning:

Learning plans are part of the organisational structure and are built into each individual's performance management, with individuals identifying what it is they need to learn. Shultz describes SED as 'an organisation that wants to learn' and one where they work on their culture 'constantly: we talk about it and try to assess how we are going in such key areas as autonomy, responsibility, modelling and the action learning loop of accountability'. The staff have many 'formal' informal sessions especially when brainstorming new projects and solving clients' problems. Rather than outsource tasks they are not experienced with, they bring in partners so that they can learn from the project. SED is closely involved in the networks and connections fostering Ballarat as a learning community.

### Tuki Trout Farm – Ballarat, Victoria

The property operates in both the hospitality/tourism and agricultural industries: eight cottages for overnight accommodation, trout fishing ponds for guests, a restaurant, 2000 Tukivale sheep (once grown mainly for wool, now for their meat)

3 family members and one full time employee; a varying number of part-time and casual workers (including students)

Respondents: Robert and Jan Jones, owners

Training/learning:

Tuki Trout Farm has evolved by matching the natural resources of this rural property with opportunities in the hospitality and tourism market. The enterprise attracts young people with formal skills who want to acquire practical experience and mature workers, often without formal education, who value the opportunity of learning from this diverse, interesting business.

The Jones' (including Rob's father) have thought a great deal about training and learning. They have created an environment which fundamentally tries to affirm every worker's capacity to learn, but leaves little to chance. Rob observes the skills people have as they try out tasks. He builds on their strengths and teaches as much as possible through modelling

and demonstration. He is careful to monitor the outcomes. Mr Jones (snr) believes that learning occurs because people are willing to do two things—'share and share. Unless people are willing to share their knowledge and skills and learn from mistakes, little advancement is made'.

## Wanneroo City Council – Perth, WA

A newly created council serving a large outer metropolitan area  
415 employees, including casuals  
Respondent: Sandra Bresnehan, manager of Human Resources

### Training/learning:

Wanneroo City Council was split from the very well resourced Joondalup City Council in July 1999 and has spent the 18 months since establishing its processes and building new offices. About three-quarters of the employees came from the original council which had its own particular culture where significant amounts of money were spent on formal training. Senior management wants the new council to become a Senge-type learning organisation where there is a focus on informal (but not unintentional) learning. He believes this runs counter to the way many of its 17 managers currently think. They also want the learning to be gained as economically as possible. One quarter of the staff come from the private sector and have a better understanding of and, more enthusiasm for, the council becoming a learning organisation. This means there is also work to be done in combining two cultures.

The 35 respondents noted above, from the nineteen enterprises, comprise the sample of the second stage of this study. The remainder of this chapter details their responses to the booklet.

## Respondents' impressions of overall content and style

If any publication or product is to fulfil its purpose, the first requirement is that it be interesting or intriguing enough to attract (and hold) people's attention. It might appear that the booklet *Building on other people's experience* escaped this requirement because, in a sense, it had a captive audience in that the Stage Two enterprises had said, 'yes, we will look at the material'. But that 'contract' was no guarantee that they would actually respond positively to the booklet when it arrived and, indeed, not everyone did.

The overall response to the booklet was in most cases extremely positive. As the following remarks make clear, these people often described it as 'clicking' with them:

*Nothing surprised me. The opposite, I kept thinking, yeah, I can relate to that ... I've seen that ...*

*To a certain extent it re-connected me to things I had thought about, but it also sparked new ideas because you know there's an issue and that you have to do certain things, and it's only when someone encapsulates things that you start to think about it again.*

*There were a lot of 'Aha's' ... It's good to know we're on the way.*

*I was really excited by it. It gave me enthusiasm but also a little sense of frustration because it's what we've been trying to do for some time but either we never get around to it or it fizzles out. So I was simultaneously excited and frustrated! How can we actually start?*

*It has lots of gems. Little things to try and to know they are working.*

*The analytical part is okay. What it's really got going for it is the range of companies. The way you had different size companies and different sectors because it's so easy to get caught up in just one sector. That mixture was very useful. And the stories were short enough.*

*I kept asking: does this relate to us and where we are at? Or do we say, no, we are different? There were times I didn't connect with the case story but the actual theme was relevant.*

*I'm a skeptic and the case studies are good because it shows you don't get there by magic. Those people had to make progress. The honesty of the case studies is fantastic. To be able to peer into their businesses like that.*

*What leapt out at me from the stories is that the people in the enterprises believed in what they were doing.*

*It was written in a light manner. I don't mean to be insulting—I mean it was easy to read. I could keep going.*

One interviewee summed up this positive response when she said, 'you pay attention when it is something you've been thinking about and feel relieved to see other people have the same problems'.

Not everyone, however, was so enthusiastic:

*I've been too busy to do more than flick through.*

*It took me weeks to go through it. A few of the case stories were okay. I read the rest but they didn't do anything for me. Some of the themes are pretty right but basically it didn't 'hit me' because I'm not so concerned about a different environment here. Also, the language isn't right for our heavy production work.*

*There wasn't anything new for me to learn from it. The examples did not go far enough into formal training and learning. The enterprises didn't seem to recognise the complexities of the training agenda needed to produce enterprises competitive in a globalised environment where skilled workers have better paid and promotional opportunities outside of Australia*

*I didn't read a lot of it. Would have liked to but I'm just too tired at the end of the day.*

*The concept is useful and it looks like there is interesting stuff. I would like to use it but not now.*

The general layout of the booklet seemed to work well. Many people—including those who did not use it in any depth—commented about flicking through the booklet. No one had trouble seeing the various parts of it and how they fitted together.

There was an interesting 'disagreement' amongst the readers about the positioning of the case stories. Some started with them 'because they were enjoyable' and thought they should have been placed first. Others were much more taken with the themes and said they only ever dipped into the cases for details after reading a theme or issue and did not read a whole case. Some reported that they 'began at the beginning' and steadily worked through the material, and these respondents were rather taken aback that anyone would not start on page one.

The 'disagreement' is a useful reminder that individuals *are* individual in their approach to any given task. The fact that the readers who discovered they preferred the case stories had no trouble finding them and reading them first suggests that the format chosen was not a real problem. We had, in fact, put the cases second for a very specific reason: The cases were the 'raw material' from which the themes and issues had emerged. The cases had, in a sense, become the 'back up', the evidence to substantiate the material in the first part. One interviewee actually said, 'just having the case studies on their own would not have been enough. We needed you to do the analysis for us.'

We believe, although none of the interviewees remarked on it, that having the booklet designed by a professional graphic designer added to its acceptance. Taking pains with the cover and binding was a conscious attempt to show our readers this was a serious endeavour, even though the material was distributed as 'a trial' document. Only one person commented on the cover but her response was startling:

*The cover really put me off. Every time I saw it, I thought 'no' and put the booklet away. I didn't open it for ages. The colours are so dark and moody; it's not quite focussed. It looks like a mental health brochure. It doesn't work at all.*

People liked the captions and the quotes (often quoting them back to us). A few commented specifically on how they appreciated the authors' notes and suggested activities although some concern was expressed that there was a lack of explanatory notes for some of the tools presented in the themes and issues section.

There was a wide variation in the extent to which people used the questionnaire insert. Some filled it out in detail and brought it to the interview. Others annotated the booklet itself and showed us points they had underlined and commentary they had added (for example, 'highly relevant', 'gives me hope', 'DO THIS!'). A number of the respondents had nothing written but had insightful and interesting things to say in the interview.

## **The issue of formal versus informal training and learning**

Three of the theme topics focussed specifically on informal learning: *Learning conversations*; *Learning through networks*; and *The enterprise as a community of learners*. The general idea in them is that workers and managers in an enterprise will (and should) learn from one another

outside formal training programs. This idea has become a staple of the management literature and sounds rather obvious, but *exactly* how one might bring this state of affairs into being—how an enterprise might create an environment which supports people in creating valuable learning experiences for themselves and others—is anything but obvious. So it was not surprising that informal learning was an issue which emerged in almost every interview. Sometimes the issue emerged in the context of the specific themes, sometimes in relation to other themes (e.g. the cost of training), sometimes it just came up when the interviewees described the way their enterprise operates or wants to operate.

The interest in informal learning was consistent but there was a difference in what people actually thought about it. Some were delighted by the concept and eager to apply informal modes of training and learning in their enterprise. Others were distinctly less exhilarated. The difference between those who really picked up on this aspect of *Building on other people's experience* and those who were more dismissive of it signals an important divergence in attitude to training and the context of training. Before detailing the difference, the meaning of informality in training and learning needs to be explored because it is a slippery idea.

## Definitions

To some, informality means everything that is not formal—where formal is widely and unambiguously understood to refer to any course, short or long, credentialled or not, self-paced or time-dependent—so long as some external agent<sup>1</sup> has designed it and delivered it, regardless of whether the delivery is on-line, in self-paced booklets, or in classrooms. But informal has more subtle, and more instructive, meanings than simply being the opposite of top-down design and delivery of skill and knowledge.

Informality can be applied to two different features of learning and training. It can refer to the degree of specificity (formality) of the *outcomes* expected or to the degree of formality in the *guidance* the learner receives.

The formality of the *outcomes* expected from the training or learning covers a wide range:

- ❖ Some outcomes are highly specified, for example,
  - the intended outcome was that Shayne in the boning room at Harvey Beef would have a better understanding of the monetary loss incurred by the company if he and other boners delivered less than maximum yield from each carcass
  - the intended outcome at St John of God Hospital was that everyone who worked there, including volunteers, should understand and 'live' the values of the hospital
  - the intended outcome at Stelform Engineering was that managers would become better at communicating about underlying concerns so they could grapple with sensitive issues
- ❖ At other times intentional opportunities for learning are set up, but the exact outcome to be achieved is not firmly specified in advance, for example:
  - when workers 'try out' other people's positions (or indeed, when rotated during apprenticeship), it is expected they will acquire new skills and new knowledge—including the knowledge of whether it is the kind of work they want to do in the future, or not—the outcome isn't determined
  - when networks are established so that people meet regularly—for example at the Lotteries Commission dinners for newsagencies like the Harvey Newsagency, it is expected they will share insight into selling lottery tickets and/or dealing with difficult customers but, exactly what skill and knowledge they might acquire is not determined by any teacher, trainer or manager—not in the control of the Lotteries Commission, for that matter
  - when employees work on projects together across functional and hierarchical boundaries as at the University of Wollongong Library, it is expected they will learn 'something' (and so will the organisation) but no one knows what that will be in advance

Formality in learning and training—or the inverse of it, informality—can refer not only to the specificity of the learning *outcomes* expected but also to the amount and style of *guidance* given to the learner:

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<sup>1</sup> 'External' does not mean external to the enterprise—many enterprises design their own formal training—but external to the person doing the learning.

- ❖ It is not necessarily the case that the tighter the outcome specification, the tighter the guidance:
  - Shayne learned about yield through a formal short off-the-job course but he shared his knowledge with his workmates so that they came to know, too, what he had learned
  - embedding the mission and values at St John of God Hospital—a carefully defined outcome—is accomplished through the loose guidance of mission mentors (although the mentors themselves learn their roles through quite ‘tight’ guidance)
  - learning to process oysters requires an exacting training protocol and at Salty Seas in Tasmania they have formal off-the-job study leading to formal certificates. The young people there, however, learn a great deal and certainly obtain their demonstrable dynamism from the uninhibited conversation that permeates the place and the experimentation all engage in
  - coaching, learning from team-mates, observing co-workers—all loose guidance—were routinely used by many of the enterprises we studied to help workers master new skills and extend their capability
- ❖ Paradoxically, loose guidance *and* the absence of pre-determined outcomes can eventually lead to formal recognition (and remuneration) or the awarding of a national credential:
  - learning acquired wholly informally (that is, loose guidance and no set goals) but simply through an individual’s experiences and their capitalising on opportunities which come their way, can expand their capability to the point that they can receive formal recognition for their new skill/knowledge through RPL (recognition of prior learning) or RCC (recognition of current competence)
  - where enterprises have performance review protocols in place, employees often have learning plans. They can, within reason, learn what they want and they can learn in whatever way they want. Some companies extend the concept of ‘within reason’ so far that they will pay for cooking classes and other aspects of personal development. At the performance review, however, all this is discussed and analysed formally.

There is a third, extremely important, dimension to informality in training and learning evident in the Stage One enterprises and, as it turned out, in the Stage Two enterprises too. Respondents in both stages described (real or ideal) workplaces where people did not talk or think only in terms of more-or-less structured learning objectives and more-or-less structured guidance. They described workplaces where there existed an environment or ambience, a culture, a sense of community, in which learning was ‘natural’ and appreciated—‘part of the way we do things around here’.

This third aspect of informality arises from the well established fact that there are layers in the environment of any enterprise that shape attitudes to and opportunities for learning but that are impossible to access directly. Argyris and Schön (1974) famously called these deep ideas—ideas that invisibly mould one’s response to circumstances—*theories-in-use* as distinct from espoused theories. Later Schein (1992), in studying organisational cultures and leadership, identified them as the very basic assumptions people within the organisation hold about the character of human nature, about the nature of truth, and about reality itself. A number of the enterprises in both stages of the study talked to us about trying to get the culture of their organisations ‘right’ to stimulate learning, particularly of attitudes<sup>2</sup>. Lee White from Stellar Call Centre talked about workers being ‘steeped’ in the environment:

*If we treat our people how we want them to treat their customers, it becomes a learned behaviour even if it isn’t a behaviour they demonstrate in a different environment.*

## The appeal (or otherwise) of informality

There were many suggestions in *Building on other people’s experience* about the value of informal learning and training—meaning loose guidance, under-stated learning objectives and an ambience of sharing. The nineteen Stage Two enterprises responded to this ‘theme’ in different ways.

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<sup>2</sup> It is true that every organisational culture generates learning—it always shapes the way people behave. ‘Right’ cultures shape productive, respectful behaviour; ‘poor’ ones encourage destructive habits.

Some Stage Two enterprises were interested in the ideas behind informality but were not convinced they would (or could) put in place deliberate strategies for informal learning at this time. They tended to be companies that had a history of traditional VET training. It is worth spending a moment on each of these enterprises to understand exactly what their reaction to informal learning was and why they thought as they did.

### ACI Glass (Adelaide)

The company is putting in place a carefully designed 3-year broad-banded training program with all employees formally registered as trainees. The elaborate scheme includes self-administered skills audits, training modules tied to Training Packages, and pay linked to skill acquisition. In the circumstances, informal learning is not high on the agenda. However, Des Brown, personnel development manager, said he would be interested in having the Employee Development Committee (with membership from the shop floor) think about informal learning and their workplace culture using *Building on other people's experience* later in 2001, after the formal training program is fully bedded down.

### Ballarat Group Training (Victoria)

Peter Lane, CEO, is not unmindful of the value of informal learning but he is much, much more concerned that people—not only his apprentices and trainees, but workers throughout Australia—receive solid, sophisticated and accredited formal training. Without that formal skill base, the informal learning, in his view, is not particularly effective. He made the point that much informal learning stems from formal learning and he thought *Building on other people's experience* conceptualised the formal and informal as being more independent of one another than, in fact, they are or should be.

### Boart Longyear (Adelaide)

As a technology-based enterprise, producing drill bits for the mining industry, the company has a strong formal skill base. The first priorities of the new employee development co-ordinator has been to establish more formal training, especially in occupational health and safety and to show the company that there are valuable government incentives (subsidies) for some of the training which they should access (for example, the Frontline Management Initiative). Before he came to the company he had developed an interest in self-directed work teams where individuals learn informally from one another.

### Boral Construction Materials (Perth)

Over the past three years the company has made a comprehensive commitment to formal training including building a well-equipped training centre. The change came about as a result of taking on a continuous improvement ethos which included the establishment of work teams. Bill Stubberfield, the training co-ordinator, has devised a number of mechanisms to give employees considerable control over the training they receive (including vetting training manuals and working on division-wide projects). Nonetheless, he found that the material about informal learning in *Building on other people's experience* 'didn't do that much for me because right now I'm not so concerned about creating a different environment here and the language used didn't match our language'.

### Godfrey Hirst (Victoria)

The training manager, Bill Killin, would like to see more informal learning strategies introduced in the Geelong carpet-making plant—especially through project work. But this is a company that has traditionally taken a formal approach to training and Killin recognises that changing the culture is no simple matter. Further, there is more work to be done, in his view, to get the full benefit of formal training. He has noticed that even the good formal training programs they have used have not always had the intended impact because *expectations* of what people would do afterwards had not been set.

There were other Stage Two enterprises which used formal training, as in the preceding companies, but who were also keen to bring the ideas about informal learning described in *Building on other people's experience* to the attention of their enterprises. They responded positively because the informality discussed was:

- ❖ **A different way of thinking about skill development** – information about VET rarely pays much attention to informal learning:

*Informal learning is too often overlooked and needs more recognition. It was good to have all this material about it.* (Mofflyn)

*I believe that people (including our managers) need to recognise there are other ways for people to learn besides putting on a training course. There is more meat in the informal approach.* (Wanneroo)

*In my experience, there are often better ways of helping people—like providing a mentor—than putting on a training course.* (iinet)

- ❖ **A cost conscious approach to skill development** – costs are a concern and informal learning seems economical:

*The nightmare about training is: Who pays? We haven't taken on board sufficiently that training and learning is something that happens here—internally.* (Anglicare, Blackwood)

*We don't have the funds to keep putting on courses. We have to find better—yes, cheaper—ways of fostering learning* (Wanneroo)

- ❖ **A flexible approach to skill development** – many of the enterprises have been frustrated by the rigidities of formal VET training. A number of people we spoke with said that the RTOs they had dealt with had adopted quite a limited notion of flexibility—basically small adjustments in hours and timing—which came nowhere near the customised training and close working partnerships required by the enterprise. Two examples:

*We were sometimes disappointed with the quality of the training our cleaners received. Some trainers seemed to be under the misconception that we didn't care if the training was superficial, as long as we received our subsidy.* (Cleandustrial)

*Formal tourism courses do not suit our volunteers who need real flexibility of hours and it is hard to find people who will tailor the pre-packaged courses to our needs. Yet we know we could benefit from accessing that skill/knowledge base.* (Ballarat Visitor Information Centre)

- ❖ **A subtle approach to change** – informal learning offered some readers a way to influence and change workplace culture without putting in place a major organisational restructure.

- ❖ **Thought-provoking** – the theme material and the case stories about informal learning were simply 'thought-provoking'—especially the topic *Learning conversations*:

*The idea of 'good' gossip is interesting—to recognise that gossip is inevitable but that it can be positive or negative in its intent and effects.* (Boyanup Auto and Rural)

*The one on Learning conversations was good. I can see that going around and talking to volunteers is an inexpensive, practical and effective way of learning from their experiences and it's not intimidating for them. And I liked the idea from O'Reilly's of encouraging accurate 'gossip' by participating in the grapevine yourself.* (Anglicare, Stuckey)

While there was a genuine excitement on the part of these respondents about the potential of informal learning in their enterprises, there was an awareness that this is no instant solution. There are 'pros' but there are also 'cons'. This is well illustrated in the discussion amongst the Airlight Group managers. What follows is a much truncated version of the conversation (lots of other topics and comments wove their way through this discussion) but it retains the basic spirit of the debate:

*Skeham: The book focussed on something we don't focus on: that there are lots of areas of training including the informal ...*

*Gavranich: I was interested in that, too. But while we might not focus on it, we do do informal stuff. When I go to a site, out of habit I would run my finger down the top of a rail and then go back and say 'dust this ...'. I would do that 20 or 30 times a night. Now I make it an absolute habit to raise a point with each person each time—something: good, bad, or subtle. Just so they expect that when they know I am coming.*

*Bond: The trouble with informal training is that it is going backwards to where we used to be in this industry when there was no formal training. That failed us miserably. People didn't know what they were doing.*

*Gavranich: Let's get back to this. The book has made me want to step back and look at the less structured stuff. Our problem is we don't recognise the sub-surface training that goes on.*

- Bond: True, but that misses the point. A lot of the training we need to do is being driven by our clients. Particularly for sites controlled by the government or out in mining, we are required to show that our workers have certain certified levels of training before they are allowed on site. So the training has got to be formal to prove we have a trained workforce. Otherwise we don't get the contract.*
- Gates: We've got the same requirements in quality management. You need formal proof. But after you've done that formal training, you still need to ask: What now? That is the informal and we need to keep track of it.*
- Gavranich: The area managers and cleaners actually get a lot of that informal on-going training. But you can't document all of it: if I'm out for four hours it would take four hours, or more, to document it—that's an issue.*

The need to balance the formal and informal—not only to balance them but to integrate them—was an issue that many other enterprises noticed in the material and it provoked an appreciative response:

*These are the things you struggle with when you're trying to look at staff training and development. How do you capture on-the-job training? How do you make people realise they're learning? Those things were picked up really well in the booklet.* (City of Albany)

*What I learned from reading the book was that I will need to start taking a more structured approach to my learning. I've simply responded to what was available instead of thinking, ahead of time, what the training needs are—the training needs of my staff and me. I need to focus on what we need.* (Kalgoorlie, McClure)

*We do a lot of informal learning—networking and peer learning, for example. But I have also put in place, as part of a Quality Service Program, a feedback system about staff performance and service from customers which is very tight. Unless people can say exactly what they liked and experienced, it doesn't count.* (Ballarat Visitor Information Centre)

*I have found that project work is a good way for people to start working together as a team and also in projects they can more easily recognise what they need to learn (and what they have learned). It is much harder to do that with 'normal' work.* (Godfrey Hirst)

A few people we spoke to have been involved in the highly praised *Investors in People* (IiP) program. What they were at pains to point out is that while the program encourages enterprises to help employees grow their skill and knowledge via any mechanism including the most informal, the IiP audit itself imposes a discipline—a 'backbone'—to the learning so it isn't allowed to run off in too many directions and become too loose and amorphous.

## The issue of costs and benefits

Finding the funds to pay for training and learning *and* justifying the expenditure on training and learning were issues that figured prominently in the Stage Two discussions about *Building on other people's experience*. While respondents appreciated that the material at least acknowledged that costs and benefits *are* an issue, no one believed we had handled it in sufficient depth or detail:

*The big thing that is missing is the financial information. I can see what they've done but not how they paid for it.* (Airlight Group, Bond)

*This was my 'number one' concern.* (Anglicare, Blackwood)

*Training is always a cost (including opportunity costs). When it is not done well it is only a cost. The art is to turn it into an investment—so the money has been well spent.* (iinet)

*The advice 'links training and learning with the achievement of organisational objectives': I've used that principle already and it's a good reminder. But sometimes efforts are made to decide and articulate purpose and it doesn't penetrate into the organisation far enough or long enough.* (Godfrey Hirst)

Four major studies have recently been completed (Blandy et al. 2000; Doucouliagos & Sgro 2000; Maglen, Hopkins & Burke 2001; Moy & McDonald 2000) which were designed not only to calculate the return selected Australian enterprises made on their investment in training but also to develop user-friendly methodologies so that small and medium-large enterprises could assess for themselves whether changes in their approach to training are 'paying off'. While these painstaking studies, which included comprehensive reviews of the international literature, were able to identify specific returns in some enterprises, more than anything—and

they all say this—what the studies reveal is exactly how complex and uncertain an endeavour a ‘return on training investment’ calculation is.

The complexity arises because of the difficulty in answering three basic questions:

- ❖ What counts as training in the enterprise?
- ❖ What counts as expected outcomes or benefits?
- ❖ How is ‘culture’—as the factor which can enhance (or not) the value of training and learning—factored into the equation?

### Question One: What counts as training?

The four Australian studies and many they cite recognise that developing the skill of employees is often best done through informal guidance and, consequently, a definition which takes into account formal instruction and work-based training but excludes unstructured on-the-job training ‘under-represents and undervalues the range of enterprise training and learning activities’ (Moy & McDonald 2000, p.3).

*Informal learning and training methods, on and off the job, were regarded as many of the businesses [in the study] as generally superior to formal classroom training because real knowledge was learned in the former. [emphasis in the original]* (Blandy et al. 2000, p.56)

Nonetheless, many of the studies start by looking for training that is ‘well-designed’ (for example, Doucouliagos & Sgro 2000, p.vii) or that aligns with budget items such as the cost of up-dating learning materials, employing trainers or consultants, course fees, travel support and back-filling for people attending training (Maglen, Hopkins & Burke, 2001, p.68). Even Moy and McDonald, who so unambiguously argue for a broad definition of training at the start of their paper, come at the end to talk about estimating the training investment ‘at the program design stage ... [and that] information should be collected at appropriate times such as before training, immediately after training, after three and six months’ (p.18). None of this accommodates, or even acknowledges, the ongoing informal processes (informal guidance, fuzzy objectives) that were so central to the Stage One enterprises.

### Question Two: What counts as benefits?

Productivity is often *assumed* to be the benefit delivered by a more skilled and knowledgeable workforce. The four recent Australian studies (Blandy et al. 2000; Doucouliagos & Sgro 2000; Maglen, Hopkins & Burke 2001; Moy & McDonald 2000) made some interesting observations about productivity:

- ❖ for large companies making and selling defined products, productivity is a meaningful and measurable outcome—and a high priority
- ❖ for enterprises providing services, productivity is a nebulous and fairly irrelevant concept
- ❖ for small and medium-large companies, whether they deliver goods or services, the effort to catalogue (and measure) direct financial benefits hardly makes sense

The general consensus was that outcomes other than productivity need to be explored. One approach is to look for the specific outcomes the training was designed to ‘fix’—for example, fuel usage, draft and buff forces after a Train Dynamics Concept Development Course. Moy and McDonald (2000) proposed a list—a taxonomy—of 50 commonly desired outcomes of training including rework rates, customer loyalty, absenteeism, improved response to crises, etc. Enterprises would select the particular outcomes of interest and relevance to them.

### Question Three: How can we factor in the elements that boost the value of training and learning?

One of the points consistently noted in research which attempts to calculate the financial return from particular training programs is that where a significant return is obtained other factors seem always to have played a role. The other factors cited include the enterprise’s human resource policies and management, work climate, the enterprise dynamic, people working ‘harmoniously’ with their peers, and similar. Further, rarely is a single training program in operation. Rather, an enterprise which seems to capture value from one training program is usually engaged in a number of other approaches to skill and knowledge

development. Billet and Cooper (1997) in a review of the return on investment literature cite a number of examples of these so-called 'complicating' features, for example:

*[One study] examined driver training effectiveness in terms of reduced vehicle operating costs. While financial benefits could be attributed to the training program the authors realised (like others) that other factors were contributing to the effectiveness of the program.* (p.19)

Given the documented difficulties in calculating returns on investment in training, it is no wonder that the Stage Two enterprises we spoke with were concerned—perhaps frustrated would be the better word—about their own inability to assess the 'pay-off' from training/learning initiatives. It also explains why they wanted the themes and case stories in *Building on other people's experience* to provide some direction about how they could assess the returns they might expect. And it explains why the material we provided did not fully meet their needs.

On reflection, there may have been more material in the Stage One case stories than we applied to the theme entry *Cost or investment?* Data collected during stage one does allow us to answer, to some extent at least, the three questions:

- ❖ **What to count as training?** The answer from our evidence is that *all* the training and learning that goes on in the enterprise and for individuals even outside the enterprise must be counted. Think, for example, of the work value an employee at Stelform ascribed to a parenting program he attended.
- ❖ **What to count as outcomes?** The Stage One enterprises conform to Billet and Cooper's (1997, p.14) observation that very few enterprises actually try to calculate a dollar return on their investment in training—rather, it is government, and government-funded researchers, who focus on the mathematics.

The Stage One case studies were mindful of the resources (money and time) they put into skill and knowledge development. Yet even when the expense was a discernible budget item (for example, performance management reviews or aligning work instructions with Training Packages), the enterprises justified the cost in qualitative rather than quantitative terms. They explained their *reasons* for doing what they were doing and decided whether their expectations had been met by *observing* how people worked. They all knew in qualitative terms what they wanted to achieve and, most significantly, all of them were able to recognise when a training program or a tactic for skill development or innovation was *not* delivering what they expected. None of them thought of training simply in terms of the finances of productivity and profitability.

The idea of a checklist of the potential outcomes which enterprises might be on the alert for holds promise. The Stage One case stories contain many good examples, although we may not have made these explicit in the theme *Cost or investment?* Interestingly, the Stage Two enterprises had little trouble coming up with ideas of their own. The conversation at the Airlight Group is a good example:

*It is very hard for us to measure the value of training ...* (Bond)

*Well, if we had a really well-trained workforce, a manager could manage more sites—so that would be a pay-off ...* (Gavranich)

*and training should reduce injuries and workers comp. We'd notice that immediately on the bottom line ...* (Bond)

*If training would fix turnover, it would save us a lot ...* (Skeham)

- ❖ **How to factor in enterprise culture as a determinant of the value of training?** It is interesting to us that the formal research studies on return-to-training investment all concluded that where financial returns could be calculated, factors beyond the single training initiative appeared to generate the return. The Stage One enterprises make that point very clear. Our description of the Stage One enterprises highlighted the presence of 'something'—as we called it in *Building on other people's experience*—that enhanced the value of the training and learning undertaken. This 'something' needs to be brought into any conceptualisation of return on investment in training/learning because it is so central to realising benefits from training and learning.

In sum, the theme of making training/learning an effective enterprise investment was important to the enterprises we spoke to in both stages of the study. The difficulty of turning intangible assets like worker skill, knowledge and attitude into tangible dollar returns troubled a number of the Stage Two enterprises. Perhaps they would feel somewhat

reassured if they knew that experts were having as much trouble grappling with it as they were. The Stage One enterprises had a number of qualitative tactics for dealing with the problem and the booklet *Building on other people's experience* may have been of more assistance here if we had made more explicit both the key questions and ways the Stage One enterprises had devised answers.

## The issue of retention and staff morale

It is worth noting that the material about retention and staff morale—both in the theme section and where it cropped up in the case stories—was very important to many of the Stage Two enterprises. And they all said pretty much the same thing:

*I was interested in staff retention. We have worked hard on that. Same with staff morale and motivation. It was good to see that other people have the same problems.* (Cleandustrial)

*The shared examples were especially good—like, what if they leave?—because retention is a real problem in the country. In fact, I've been asking myself: 'Is it appropriate that we should train them?'* (Kalgoorlie, Northcoat)

One line, which appeared in the section 'Staff retention' shocked a few people. It said, 'People leave managers not companies':

*I was horrified when I saw that. I thought: I've had people leave! This is awful!!!* (Anglicare, Batty)

*People leave managers, they don't leave organisations. That is so simple and so true. I'd never actually verbalised it before. Why do organisations have people leaving? All organisations could benefit from focussing on giving their managers the necessary skills to ensure these possible situations are reduced. While most organisations have some sort of formal exit interview, as we do, in many cases the person leaving will not actually say, 'My manager didn't make me feel as though I was valuable and an integral part of this business'.* (Stellar, White)

People related these issues of staff retention and morale to two other theme topics: 'What about the people who don't want any more training?' and 'What if training has been tried unsuccessfully before?'. It added to their sense that the material was trustworthy and 'realistic'. The important point is that being realistic—thinking of training issues from the business's point of view was a critical factor in winning the trust of the readers and therefore of being able to be useful to them.

## Enterprise plans for using the material in the future: For building on *Building on ...*

Without wanting to delineate sharp categories amongst the Stage Two enterprises, a pattern emerged in the ways they intend to move forward after considering *Building on other people's experience*. The enterprises clustered into three roughly equal-sized groups:

Cluster one: This group found the material interesting to read and think about but it has not inspired them to change their approach to training and learning.

Cluster two: This group picked up 'snippets' of new ideas to try.

Cluster three: This group was stimulated enough to reflect quite deeply about what they currently do and on what they might do in the future in terms of training and learning.

The differences amongst the groups have implications for policy-makers and strategists in the VET sector who want to market training and learning to Australian enterprises. They also have implications for training providers and consultants who want to work with enterprises. Therefore, it is important to draw as much understanding of these differences from the data collected as we can. That is the purpose of this section. Each cluster is discussed in turn.

## Cluster One—no immediate plans

The enterprises which did not intend to alter what they were doing after considering *Building on other people's experience* and speaking with us are all enterprises which already have established patterns of training and learning. They thought, perhaps quite rightly, that they had nothing to learn from us. Tuki Trout Farm and Ballarat Group Training, for example, have thought carefully and intelligently about the learning and training they provide and there are no grounds to think it ought to be different. A few of the other enterprises that fell into this cluster—like ACI Glass (Adelaide) and iinet—were already undergoing considerable change and the booklet appeared, at that moment, to have little to contribute to the change process already underway.

The cluster also includes a number of the manufacturing companies—Godfrey Hirst (Geelong), Boral Construction Materials (Perth), and Boart Longyear (Adelaide). These companies have very formal training regimes. The fact that they did not see much immediate mileage for them in the material forced us to ask ourselves whether there was a bias against formal training in the material. We re-examined the ten Stage One case studies. There were only two enterprises which did not actively utilise formal vocational education and training programs. One was Pretzel Logic where the dynamism of web design kept employees building their own skill and knowledge as quickly as possible but without time for formal training—indeed, their skills were often ahead of the formal training providers. The other was Harvey Newsagency which cobbled together its learning from contacts through its networks (for example, suppliers, other newsagents and the regional business enterprise centre). All the rest participated in formal training and for three of them—Salty Seas, Harvey Beef and Simplot Kelso, all food producers—formal certified training was at the very heart of their positive stories. Thus, the selection of case studies did give due recognition to the importance of formal training.

On the other hand, the majority of the themes and issues we developed for *Building on other people's experience* did focus on collaborative and informal workplace learning. This was due to the consistent importance which the Stage One enterprises attached to the informal ways people interacted. To them it was the key to shaping the training/learning culture of their organisations. It may have been that the emphasis on informality in the themes and topics section did not match the mindset of more formally structured enterprises.

## Cluster Two—snippets to try

Enterprises in the second cluster picked up new ideas to try from *Building on other people's experience*. It reminded them of the importance of skill development and persuaded them that they might be able to do more or different things than they were doing. Among the examples:

- ❖ Mike McClure, principal of McClure and Associates in Kalgoorlie, announced that he was going to persevere with some training that had been organised for the afternoon of our meeting, even though he had been considering dropping it because they were so busy. He also decided he would start taking a more structured approach to his own learning.
- ❖ Sandra Bresnehan, at Wanneroo City Council, picked up on the effectiveness of case stories and thought it would be interesting to find local cases so that people working at the council could actually visit those sites to observe and, most importantly, to ask questions of the way people on that site learned.
- ❖ Paula Squibb, general manager of Cleandustrial, is interested in developing a positive organisational culture. She finds that particularly challenging since the employees all work on separate sites. She had been thinking about ways to do things better and she picked up a couple of specific ideas from the booklet which she plans to implement—for example, using projects as a way of getting people involved and creating acting positions in order to give people experience in more senior positions.
- ❖ Dennis Stevens, manager of the Compliance Service Unit at Perth City Council, was particularly interested in the potential of outside coaches or mentors.
- ❖ Chris Grogan, City of Albany, has handed a copy of the booklet on to a regional planning committee because she thought it would help them in their deliberations.

These individuals saw some good suggestions in the material and started thinking seriously about how they might apply them in their organisations. They were also attracted to the idea that it is the whole culture in an enterprise which ultimately amplifies the value of the more specific 'items' of training and learning. Changing a culture, however, requires wide collegial understanding and support. It was not clear in our conversations with enterprises in this cluster whether they had acquired the resolution or were in a position to garner that support.

## Cluster Three—serious re-thinking

The enterprises in the third cluster were sufficiently stimulated by the material that they began to reflect quite deeply about where they were and where they might want to be in terms of training, learning and cultural environment. The material, in the words of one, provoked 'big thoughts'. Outwardly these enterprises have almost nothing in common:

- ❖ they come from a range of industries: cleaning, community service, tourism, communications, machinery retail and repair
- ❖ they vary in size from 1000 employees to a handful
- ❖ they come from three different States
- ❖ two are in regional areas, the others metropolitan
- ❖ the business climates in which they operate have undergone different degrees of change: for some it has changed significantly (e.g. the community service organisations); for others it is changing but less dramatically (e.g. cleaning); and for others the business environment has changed relatively little for them (e.g. the retail and tourism enterprises)

What the companies have in common is a preparedness to grapple with big thoughts. In every case it was a senior figure in the organisation who was involved and took the lead by saying, in effect: it is okay to question basic assumptions about how our culture works, how we relate to one another, how we learn and develop the skills required. Most of these managers had distributed *Building on other people's experience* to a number of people in the enterprise and when we met with them to discuss it, we met as a group. Appropriately, in these discussions the participants were as likely to be talking to one another as addressing the researcher.

It might be noted that—although no business environment is assured these days—the enterprises in this cluster are doing well and have confidence to build on. They are not interested in rethinking their approach to training and learning because they face overwhelming threats to their viability.

## Revising *Building on other people's experience*

This section describes three findings from our discussions with the Stage Two enterprises that will need to be considered if the booklet, *Building on other people's experience*, were to be re-published for an audience beyond the Stage Two enterprises. It should be said that the Stage Two enterprises all thought that the booklet ought to have a wider readership. The three aspects that might be further developed are:

- ❖ improving the accessibility and immediate applicability of the booklet
- ❖ expanding some of the themes and issues in the booklet
- ❖ adding more types of enterprises to the booklet

## Improving accessibility and immediate applicability

One concern that threaded its way through the interviews with the Stage Two enterprises was the question of how much how-to-do-it advice should have been included in the booklet. The premise of the project was that enterprises might change their thinking. They might become convinced to do something about their provision of training and learning after reading the material. We had not thought much about helping enterprises to *do* something beyond *thinking* about doing something.

During the interviews it became clear that some enterprises wanted more how-to-do-it details. They were also interested in details of how-not-to-do-it: they were curious about the mistakes people had made and their 'trials and tribulations'. But primarily they wanted specific advice about applying the positive ideas to their own situation. For example, the Compliance Service Unit of Perth City Council wanted to understand how to emulate the way St John of God Hospital had established a sense of values. Anglicare was also impressed by the achievements of the hospital and wanted more details on how they could set up a mission mentoring program. The Airlight Group was curious about the sequence of steps that enabled Harvey Beef to achieve such a thorough cultural change and how, if at all, they could mimic it. Thus, the question of the extent to which specific how-to advice should be incorporated in any revised edition needs further consideration.

Another issue concerns the fact that *Building on other people's experience* is print based and much of it rather dense print. Few managers of Stage Two enterprises gave the booklet to shop floor workers. In one case where we know the attempt was made, the booklet was back on the manager's desk ten minutes later. It is unfortunate that the medium appears to have excluded from Stage Two the diverse range of people within the enterprises who contributed so powerfully to Stage One.

The research team had toyed with the idea of collecting audiovisual material. A professionally recorded and edited video would have vastly increased the cost of the project. We have no doubt that had we been able to go into Stage Two enterprises with an assortment of audio visual presentations or smaller more visual pamphlets on the case stories and themes, it would have opened the discussion to a much wider sample of people, many of whom are making significant training and learning decisions for themselves, their colleagues and their enterprise.

## Expanding the themes and issues

In addition to wanting a fuller treatment of 'Training as a cost or investment?', a number of the Stage Two enterprises raised three other issues they would like to have seen specifically addressed or treated in greater detail:

- ❖ What constitutes appropriate reward and recognition for employees' learning?
- ❖ The role of the Internet in learning
- ❖ Succession planning

This section briefly explains what more was requested, and why.

## Reward and recognition for employee learning

The question of whether or not to offer promotional or other remuneration rewards to staff for their new skills and learning—and how you decide—was mentioned by many of the Stage Two enterprises as an issue they were grappling with or worried about. The issue was alluded to by a number of the Stage One enterprises. Simplot, Harvey Beef, Stelform and the University of Wollongong Library all mentioned that pay and promotion entered into their thinking about training and learning opportunities; however, little detail was provided as to how they actually reached the decisions they did. The concerns of the Stage Two enterprises were straightforward and consistent:

*It would be useful for me to know how you manage a reward system. Do you have to recognise formally the training that people have done? And what about informal learning? I'd also like to know when it is wise to use a direct reward and the circumstances when it isn't.* (City of Albany)

*I would like to know much more about the way people are rewarded (or not) after they've completed training.* (Kalgoorlie, McClure)

*There is no recompense here for job filling—so, for example, a social worker would take a cut in pay to do a management job. Also, when we talk about job swaps we are concerned about meeting the accountability regime and back away. We need to know more what other people are doing in straitened financial times.* (Anglicare, Battye)

*We link staff performance to the overall profitability of the organisation as an incentive. Staff know the cost of operating the call centre and they know how the costs relate to their own performance. It is then the responsibility of management to train and give the people the tools to take ownership of their performance and their personal impact on the business.* (Stellar, White)

Several respondents took special note of the 'notes from the researchers' in *Morale and motivation* which stated:

*One mistake that has been made by enterprises tended to be where people had been promised results and rewards that were not, or could not, be delivered.*

The respondents, while recognising it is wise not to promise too much, still wondered exactly what incentives could or should be offered. Any revision of *Building on other people's experience* would benefit from elaborating the specific ways enterprises have resolved this question.

## Internet learning

Two of the respondents to *Building on other people's experience* pointed out that the Internet as a source of learning and training is being increasingly accessed and, therefore, it would have been valuable to include more on its strengths and weaknesses. The suggestion is intriguing because there were a number of the Stage One enterprises which were using the Internet to a significant extent—Stelform Engineering, the University of Wollongong Library, O'Reilly's for advertising—but, with the exception of the web-design company Pretzel Logic, few of them actually mentioned the Internet in talking about their experience of training and learning. This suggests the Internet is not yet being used by the enterprises as a significant learning/training tool. In any revision of *Building on other people's experience*, however, it would be useful to specifically address the use of the Internet.

## Succession planning

There are references throughout *Building on other people's experience* about succession planning and the value of employees' acting in diverse (and more senior) positions. The research team is not convinced that making it a fully separate topic is warranted—although a number of people suggested it was a significant point in its own right for them. It may be most appropriate to include training/learning for succession planning as an outcome to nominate in *Cost or investment?* (see p.31) because there is little doubt that systematic succession planning and career development is a benefit to business.

## Additional case studies

Although the Stage Two enterprises applauded the wide range of cases, and one respondent commented that she purposely looked at the enterprises which were most *unlike* her own, people did search for parallels with their own situation. Two circumstances in particular were mentioned where readers could not match key features of their enterprises with any of the case stories:

### ❖ add an enterprise that depends on volunteers

Two of the Stage Two enterprises we spoke with made extensive use of volunteers, but it was Jeanette Horsley, the manager of the Ballarat Visitor Information Centre who pointed out:

*Training volunteers is different from general staff training in some important aspects. It has to be needs specific. It is also largely not funded except where one can demonstrate the value return of formal accredited courses. Volunteers are unlikely to enrol in and attend courses run in hours which don't suit them or which contain material irrelevant to their specific work needs and interests, and management is in no position to mandate compliance. It has to be done by persuasion.*

This is an issue which is receiving increasing attention. The year 2001 is the International Year of Volunteers and generally the significance of voluntary community work is being recognised through Compacts between governments and the volunteer sector—for example, in Canada, the United States, and England. As Australia begins to recognise how much voluntary work is actually undertaken, and governments grapple with such concepts as 'mutual obligation', which now includes the option of participation in the Voluntary Work Initiative, what training is appropriate for volunteers and how it should be delivered will become critical issues. As such, any further development of this project should seriously consider the inclusion of a specific case story with a focus on the training of volunteers.

❖ add an enterprise that delivers professional services

Two of the enterprises we spoke to at the Kalgoorlie Business Enterprise Centre were small businesses selling services—one in financial planning and general insurance, the other in accounting. They identified their enterprises as having significantly different cultural and learning issues from the enterprises included in *Building on other people's experience*. Their problem is in knowing which of the many training/learning opportunities on offer is going to be relevant and of good quality.

Small businesses are 'notorious' for not purchasing much formal certified training. It is easy to forget the great mass of training/learning that is directed at them by their suppliers (of computers, for example), professional and industry associations, business networks, organisations such as the Australian Institute of Management and Securities Institute Education, and government advisory agencies. The Bunbury Business Enterprise Centre, which provided so effectively for the Stage One enterprise Harvey Newsagency, was at pains to point out that they are contacted practically once a day by someone wanting to conduct a seminar or offer other training to small businesses in the region. The question of selecting the right opportunities is especially important for small professional services in regional Australia because many of the offerings are expensive to access as well as time-consuming.

# Conclusions (1): Concepts of cultures

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At the time this project was initiated, the idea that Australian enterprises should adopt a *training* culture was high on the formal agenda of the VET sector. The American management literature, on the other hand, originating with Senge's book (1990) was enthusiastically encouraging organisations to adopt a *learning* culture. The evidence from enterprises in both Stages One and Two of our study, and from a careful reading of other studies of Australian workplaces, is that neither adjective—training or learning—adequately describes the culture of enterprises which most effectively grow and capture the skill and knowledge of their workers.

What adjective does describe this kind of culture? We described it in *Building on other people's experience* as a culture which *amplifies* the value of training and learning. We considered any number of specific adjectives to parallel the 'training culture', 'learning culture' phrasing. At one point we settled on the term an 'integrated culture' because what we had most clearly observed was that the training and learning acquired had been integrated into people's work—not only into the work of the initial learners but into their colleagues' work as well. We are grateful to the reviewer of an early draft who pointed out that the phrase 'an integrated culture' did not advance the debate and suggested we simply use the phrase 'a culture that amplifies the value of training and learning'. We have followed that advice.

This chapter analyses more fully the meaning of 'a culture which amplifies the value of training and learning'. It does this first in terms of the enterprises we studied and then situates our thinking within the context of the research literature. There follows a more detailed discussion of the problems with the VET sector using the language of either 'training' or 'learning' cultures in advocating that Australian enterprises invest more in training and learning.

## Cultures that amplify the value of training and learning

### Evidence from Stages One and Two

In the booklet of material given to the Stage Two enterprises, *Building on other people's experience*, we analysed the Stage One enterprises and recognised that they shared an interesting and distinguishing feature. They had cultures where training and learning, quite literally, worked. We described this in the booklet as follows:

*When we visited the enterprises in this study, we could see there was something about them which made the training and learning they engaged in deliver special value both to the employees and to the enterprise itself. Something—call it their work culture or work climate—amplifies the usefulness of the individuals' newly acquired skills and knowledge so that the overall outcome is greater than the sum of its training/learning parts. This added value is important and we have tried to understand how this kind of culture is constructed and how it operates in practice.*

It was not easy to extract the elements which build such a culture. That is partly because the ten enterprises we studied had very different cultures. One was a brand new oyster-processing group that started as a training scheme for unemployed youths; another was an established metals engineering firm manufacturing sophisticated high pressure vessels; another a guesthouse in the mountainous rainforest of a national park; and so on. They also went about the business of training and learning in very different ways. In one firm, for example, there was no formal training at all while another had a plant-wide system of nationally certified competencies; one let the employees decide for themselves if and what they want to learn while another had a specific staff development plan for each employee; and so on. A similar variety in the nature of the cultures of enterprises where training/

learning is noticeably effective has been observed in other studies (Harris & Volet 1997; Hayton et al. 1996; Johnston in press; Mulcahy 2000).

There were, nonetheless, several 'ingredients' that the Stage One enterprises had in common which seem to be at the core of workplace cultures that amplify the value of training and learning:

❖ People *talk* about what they have learned

In every workplace a lot of learning inevitably goes on—as someone pointed out, even learning how to cope with boredom in very repetitive operations is a needed skill. Often, however, especially if the new skill or knowledge is picked up informally, people may not be aware they have acquired a new capability. One of the demonstrable ways our enterprises increase the value of what is learned is to ensure people actually *notice* it—and the most obvious mechanism for directing attention to new learning is by people talking about it.

Conversations about learning, about what has been learned and how, about how things might be different or better, were part of the fabric of the enterprises studied. Conversation not only makes learning visible but in talking about it people necessarily reflect on it again. This act of reflection is itself a powerful factor in increasing the usefulness of training and learning. Several of the enterprises we studied had to work very hard and deliberately to construct a workplace where employees believed they all benefited from sharing what they had learned and could do.

❖ Skill, knowledge and information are *applied* to the work at hand

That might sound ridiculously obvious but, in fact, translating newly acquired skill and knowledge into real action does not happen automatically. As one person put it, 'workers can be as skilful and knowledgeable as they want to be but only as competent in performance as the workplace allows them to be'. In other words, it is not the training and learning *by itself* which helps the enterprise, but the ways it can be put to use to meet the needs of the enterprise. In several of the enterprises people described this as finding ways to *capture* skill and knowledge.

❖ Many, many different forms of training and learning are used and supported

We expected to find a reasonably wide range of methods for enhancing the skills, knowledge and attitudes of workers and managers, but the actual strategies—and combinations of strategies—successfully employed by the ten Stage One companies far exceeded our expectations.

On the other hand, not every kind of training program works. The enterprises we studied were vigilant—and honest—about whether a particular tactic was delivering what was wanted and at the expected level of rigour. We heard numerous stories about tactics that were tried that simply didn't work and were changed—sometimes in a major way, sometimes only a few adjustments were required. Thinking about the quality and suitability of a particular approach is *not* a matter of people ticking boxes about whether they *liked* a presenter or course. It is looking systematically and rigorously at whether people are learning and using what they learned.

❖ Everyone in the enterprise is accorded genuine respect

Enterprises are inherently hierarchical. They have managers and owners, supervisors, workers with different levels of skill, experience and influence. What stood out for us—what made the learning vibrant and useful—is that people within the enterprises we studied respected the ability and importance of *every* member of the organisation. Time and again we were given examples of how respecting the capacity of people to grow ensured that they did grow. As Eisner pointed out (in Wiltshire 1998) 'almost everyone in society is under-estimated not over-estimated'.

Management in the Stage One enterprises purposefully created 'threads' of respect and honesty which they wove through the entire enterprise. When one sees this in action, and the benefits it brings to individuals and enterprise alike, it is hard to understand why some businesses allow presumptions about status and worth to prevail and thereby demean and divide their employees.

The majority of the Stage Two enterprises recognised, and liked, the attention paid to enterprise culture in *Building on other people's experience*. One respondent noted with some satisfaction that her company 'aligned' with the material. Her word, aligned, puzzled us for a time until we realised that she was referring to the consistent attention given in the booklet to

the relationships amongst employees (including managers) and the principle that everyone in the organisation should be accorded respect.

The discussion with the Stage Two enterprises drew out two aspects of the significance of respectful and solid personal relationships in an enterprise. The first is that they help enterprises be *both* stable and capable of change. We are all so immersed in changing global economy that it is easy to forget how vital it is that individuals and enterprises have ballast, if not keels, to stabilise them in the shifting currents. Workplace relationships which are the bedrock of culture can play this steadying role—a point that was made particularly clear in the Stage One study of St John of God Hospital and its mission mentoring program. An enterprise culture can, on the other hand, act as an agent of change—as appears to have been the case at Simplot Kelso. The important point which Collins and Porras (1998) made that an enterprise needs to ask ‘what do we *not* want to change?’ as often as it considers what it does want to change was fully appreciated by the Stage Two enterprises.

The second aspect about interpersonal relationships noted by a number of Stage Two enterprises is that the relationship net can be spread more or less widely in an enterprise. Some of the Stage Two respondents were concerned that ‘micro-cultures’ existed in their enterprise and wondered if this was a cause for concern. On the evidence presented to us the answer appears to be both ‘yes’ and ‘no’:

- ❖ ‘Yes, they are a cause for concern’ is the answer if micro-cultures impose real barriers between parts of the enterprise. The barriers can be vertical as in those which isolate functional units from one another (sales from logistics, for example). The barriers can also be horizontal, preventing employees at one status level from being open with those at another. A particularly damaging example of a horizontal barrier is any arbitrary (pre-determined) differential in the funding for learning/training available to employees because of their position in the hierarchy. The comment made by a manager in one Stage One enterprise pinpoints the problem inherent in an asymmetric learning culture:

*It’s all right me learning to communicate assertively but fairly with the floor, but the blokes on the floor need to communicate with me in the same way.*

- ❖ ‘No, micro-cultures are not a cause for concern’ is the answer if the diversity amongst work locations and/or functions is used not to divide people but is harnessed to extend employees’ understanding of and respect for others’ efforts—as Anglicare in South Australia is hoping to do. It is also the case that a micro-culture can enable individuals to function well even when the organisation as a whole is neither supportive nor entirely effective.

## Evidence from selected research

There have been a number of studies of the ways in which training/learning works in small to medium-large enterprises or sites in Australia. Four groups, in particular, have been working in this field for some time and all have observed features similar to those exhibited by our enterprises in their cases where training/learning works well. Their somewhat different perspectives, however, are also important and shed further light on the nature of cultures which amplify the value of training and learning:

- 1 Stephen Billett has developed a model, which he calls co-participation at work, based on his studies of workplaces in industries as diverse as hairdressing and coal mining (Billett 2000). In his view, workplace learning depends on two factors: an opportunity to learn and a willingness to learn. Billett describes the former as the ‘affordances’ or invitational qualities of the workplace and the latter as the ‘engagement’ of workers. The whole model is carefully grounded in sociocultural and historical activity theory as both affordance and engagement are seen to depend on the prior experience and learning of the enterprise and of the individuals.

Thinking about workplace learning as a balance between the two separate dimensions of affordance and engagement creates a powerful lens for examining situations of learning (or not learning). It is a fine-grained analysis which requires detailed investigation of individual learning in particular contexts. The study we undertook in Stages One and Two was not detailed nor sustained enough to produce data at that level of detail.

The one observation we can contribute is that the distinction between affordance and engagement appears to disappear in enterprises (like Salty Seas or the University of Wollongong Library) where the level of co-operation is exceptionally high. It may be that the ideal culture is one where affordance and engagement become seamless and

unproblematic to both management and workers: both engage and both afford. Where we were told stories of tension between affordance and engagement by Stage One enterprises, the workers themselves perceived that the workplace environment was not yet what they hoped for. Examples of this could be seen at Simplot Kelso when the technicians initially resented being put onto the line and at Stelform Engineering when the opportunity to be trained in soft skills was restricted to management.

- 2 Workplace Learning Initiatives Pty Ltd is a private training company which has carefully researched its own and others' efforts to maximise the value of workplace training in a wide variety of enterprises. They describe the kind of workplace environment which does this (Sefton, Waterhouse & Cooney 1995) as one where there is:

- a climate of participation and trust
- tolerance of divergent views
- openness to new ideas from internal and external sources
- preparedness to share information and ideas (internally and externally)
- valuing of workplace knowledge, skills and experience
- opportunity for formal and informal learning afforded to all employees

Sefton and Waterhouse (1996) conducted a survey of workers at four companies in the automotive industry and concluded that the workplaces were functioning as learning environments because employees and staff reported they had:

- the opportunity to experiment, innovate or do something different in their work
- experienced learning which changed their thinking about their work and they went on to give examples of these changes
- worked on new tasks which involved learning new knowledge and skills
- been involved in some form of job rotation (and reported this was very conducive to their learning)
- most valued and enjoyed the type of training that came from discussing their work with peers

- 3 Falk, Kilpatrick and colleagues at the Centre for Research and Learning in Regional Australia have studied learning in rural communities and in networks of small businesses, including networks of farmers (see, for example, Falk 1999; Falk & Kilpatrick 1999; Kilpatrick 2000). In these different settings they observe the same sorts of factors which we saw at work in enterprises where the culture amplifies the value of the learning. In the extended networks they found that what works is:

- learning that utilises what the researchers call 'identity resources'—these are primarily the participants' self-confidence and willingness to help others
- social interaction at the core of learning in the communities and networks

But social interaction in and of itself is not sufficient:

- the interaction needs to be underpinned by robust knowledge resources—knowledge pertinent to the tasks at hand which frequently comes from outside the group
- the interaction needs to take place for a purpose—it is not merely idle networking although a good deal of apparently purposeless chat may well be involved

The centre has been developing indicators of the quality of social capital used and built in these communities and is currently studying the aspects of leadership which generates quality capital. Their description of 'situated leadership' (Falk 1999) bears many similarities to the concept of 'servant leadership' which has an extensive literature (see Greenleaf Centre, 2001). Servant leaders are also concerned with quietly 'pulling together' all facets of an enterprise and ensuring all personnel are included in the net.

- 4 As background to their research on changes in productivity as a result of training, Maglen, Hopkins and Burke (2001) undertook an extensive review of the literature and noted that those enterprises which obtained high productivity from their investment in training usually exhibited a suite of other characteristics. The characteristics they describe are:

- work practices that empower the individual worker to exercise judgement and responsibility while working as either a highly skilled specialist or as a member of a self-managing team in a broad range of tasks
- recruitment and training practices that collectively maintain a high level of skill
- encouragement of workers to identify with their work by receiving recognition (in some form) for either high level or consistently good performance
- human resource planning that is a subset of strategic planning

- business strategy that is concerned with quality enhancement, client needs and innovation, and is informed by market and other research

This list differs from ours in being rather more focussed on managerial prerogatives and the capacity of the ‘high end’ of the enterprise—for example, workers are recognised primarily ‘when they perform well’. In our study the value in everyone being accorded respect and opportunities was more evident—everyone needs to be recognised not just the ‘best’ performers. The difference can be attributed to the different purposes of the two studies. Theirs was concerned with financial returns from training and learning; ours explicitly looked at workplace culture and the ways people related to one another. What is significant, given the difference in purpose, is the similarity in recognising the many dimensions within an enterprise that make training and learning effective—it is not the training or learning on its own.

One of the issues currently being examined in the nation-wide multi-pronged evaluation of the Frontline Management Initiative is whether the take-up of the initiative results in a change in the culture of the workplace (Barratt-Pugh 2000, 2001). The training involved in the initiative is specifically designed to help individuals in the workplace interact more effectively.

It needs to be made clear that many—perhaps most—workplaces come nowhere near to meeting the demand for trust, reciprocity and opportunity demonstrated in the research on exemplar enterprises. There are many enterprises in both the public and private sectors where employees feel insecure, refuse to share their knowledge and are unwilling to expose themselves to risk. It is important to make that point because, as others have noted, the management literature on organisational culture has a habit of slipping into the utopian realm of wishful thinking.

## Using the language of ‘training cultures’ and ‘learning cultures’

### ‘Training culture’ appears too narrow

In 1998 the Australian National Training Authority (ANTA) adopted the following definition of a training culture:

*A training culture is a set of instinctive behaviours, beliefs and values, shared by all Australians—employers, employees, the training community and the wider community alike—which leads them to a lifelong interest in vocational education and training and a visible commitment to participating in both formal and informal training.* (ANTA 1998, p.20)

ANTA’s major annual conference that year was titled ‘*Creating our future: A new training culture for Australia*’. Thoughtful papers by business executives, vocational education and training (VET) system leaders and Australian researchers focussed on ways an ‘instinct’ for a lifelong interest in vocational education and training could be developed and obstacles to that development overcome. A broad range of suggestions was offered which included: career guidance; seamless pathways; image and perception (marketing); varied delivery modalities; and specifying the financial returns possible. In his concluding overview, however, Professor Kenneth Wiltshire, special adviser to ANTA, pointed out that the main recurring issue at the conference was whether it was a *training* culture that was wanted or a *learning* culture.

Papers by the researchers at the conference (most of which are collected in Robinson & Arthy 1999) were actually quite consistent on this issue:

*I suggest we need a radical new model for conceiving of industry and therefore of VET. The model must be one based on learning, not on training ... [Workers] approach new tasks with a question in mind such as ‘I wonder if I can do this?’ rather than ‘I wonder if I have done a sufficiently rigorous VET course which will enable me to have a go at this?’.* (Falk 1999, p.114–115)

*Learning from experience is the most appropriate and efficient way to learn ... training traditionally undervalues this.* (Gibb 1999, p.55)

*The real challenge for VET policy groups is not to repackaged structured training programs but to reconceptualise the training dominated agenda in a way that allows a more holistic view of how knowledge is acquired within real business.* (Gibb 1999, p.41 quoting Field)

Sefton and Waterhouse (1996, p.18) make the point unambiguously:

*One of the important observations to be drawn from this project is the realisation that workplace learning and training are not synonymous. These workplaces show there is a great deal of learning going on which is not directly related to training at all.*

Research and reflection on workplace learning (see, for example, the many papers presented at the *Working Knowledge* conference, 2000) demonstrate the immense importance for the enterprise of informal (and even of unintentional) learning generated in rich work environments. Blandy et al. (2000) report that the Australian businesses they studied believe informal training and learning methods, on and off the job, is where *real* knowledge is learned. One of our Stage Two enterprises put the point most succinctly: 'informal learning', the interviewee announced, 'has more meat'.

In our study, none of the Stage One enterprises expected training programs to provide all the skill and learning the enterprise required although many—such as Harvey Beef, Salty Seas and Simplot Kelso—used formal VET training extensively and obtained excellent results from formal programs. Nonetheless, enterprises in this and other studies inevitably look beyond formal training because formal approaches are burdened by certain constraints. These constraints are:

❖ The cost of training

Robinson (1999, p.7) analysed Australian Bureau of Statistics figures and found that employers who provide structured training spent an average of \$185 per employee in a 3-month period—the equivalent of five hours' training (in 1996). Such a cost quickly adds up, especially if formal assessment and recording of qualifications is added to the process. The question of cost was a real concern to the Stage Two enterprises.

❖ The effectiveness of training

There is evidence that although training makes a significant contribution to improving the poor performance of individuals—turning them into median level performers—it does not have much effect in helping median performers become top performers in a workplace (Fuller & Farrington 1999, p.24). Fuller and Farrington, trainers by profession, conclude that high performance in a workplace does not come about because of training.

❖ Training focusses on 'known' knowledge rather than generating new knowledge

The value of training lies in its capacity to equip individuals to carry out tasks in a competent and conscientious manner—whether that is inserting diamonds in drill bits, operating a new telescopic forklift or caring for 'at risk' teenage boys at a weekend camp. The required skills may be complex and demand ingenuity but the individual is being groomed to cover a position which itself has already been defined. This is a very different situation from one where the enterprise (or a section of it) is seeking to redefine the way work is done or to 'ignite enterprise creativity', to use Buder's phrase (1999). Training is limited to preparing people for known roles, even where those roles require—as many do—the ability to respond to unknown contingencies. The prevailing metaphor of *delivering* training itself suggests the arrival of something external and distanced from the person undertaking the training (Sefton & Waterhouse 1996, p.18).

It should be said that informal approaches to training may moderate some of these constraints and it may be tempting to label as 'training' all the informal aspects which can be used. The problem is that the word training has an accepted definition and to make it represent *everything* may not be a productive solution. As two recent studies of the return on training investment point out: when training is informally integrated with everyday work and normal production costs, it loses its distinct identity as training (Moy & McDonald 2000, p.4; Maglen, Hopkins & Burke 2001, p.68).

None of these points denies the importance of quality formal training in building a skilled workforce. The skill of individuals, however—even generic skills such as effective communication, ability to work in teams and to solve problems—is only one amongst many elements *an enterprise* must put in place for its personnel to work well and the business to operate profitably. As a consequence, it appears to outsiders a little self-serving for the VET sector to suggest that the most important thing an enterprise can do is to commit itself to more training and to creating a training culture—especially since the suggestion is often read as 'buy more product from the VET sector'.

Further, it is unclear whether an enterprise which provides more training for specified skill needs is actually changing the enterprise culture. It is interesting in this regard to note that the Stage Two enterprise, ACI Glass, indicated that one of the things it is interested in doing *after* its extensive training program (for operating a plant brimming with new technology) is well underway will be to see if the plant culture has changed in any way.

## 'Learning culture' appears too broad

The ideal of a learning culture is widely accepted. This is illustrated, in one way, by the immense response to Senge's *Fifth discipline* (1990) in the international management community and, in another, by the unambiguous interest in learning expressed by individual 'ordinary' Australians in the ANTA marketing survey (Quay Connection et al, 2000b).

It is also the case that many consultants and researchers, ourselves included, almost automatically make judgements about whether an enterprise has a learning culture or not—even how much of a learning culture it has. It seemed 'obvious', for example, that University of Wollongong Library has a learning culture, as does Salty Seas, and that Stelform Engineering had not quite 'got there' despite having made much progress. Sefton and Waterhouse (1996, p.14) describe the four automotive companies they studied as functioning 'to varying degrees' as learning environments. The case studies collected in Johnston (2001) describe one enterprise as having become a learning organisation 'to a significant extent' (p.62) and another as 'definitely' having a learning culture (p.56).

The problem with using the term 'a learning culture' is that in all these instances it is actually describing quite different phenomena. One of the respondents in Stage Two, David Phillips from inet, provided an interesting analogy to make sense of the variety of 'learning cultures' one finds. A piston, he pointed out, does the same job no matter what kind of an engine or machine it is used in. Learning and training, on the other hand, serve different functions in different organisations and for different people in the same organisation. Thus, it makes little sense to try to refine or confine the definition to force it to mean only one thing.

A more fundamental drawback in using the idea that enterprises should adopt 'a learning culture' when urging them to invest more in training and learning is that, with the exception of educational and training enterprises, they are not formed *in order to* foster learning. They are established to create and deliver products and/or services. The learning they promote is designed ultimately to achieve business ends (which can include such ends as workers who are satisfied with their employer, have high morale and motivation). It would be inappropriate to insist that the *most* important aspect of an enterprise culture is that it delivers learning. The fundamental culture for a hospital, for example, is patient care; for a retailer it may be customer service; for a mining company or construction site it may be safety.

Learning contributes to enterprise goals. Maximising the contribution training and learning make to those goals is a feature of the *overall* enterprise culture—especially the nature of the interpersonal relationships in the enterprise. Instead of speaking of a 'learning' culture, it is more accurate to talk about having a culture which amplifies the value of training and learning. Just as with training, it is not a question of how much learning goes on in the enterprise, it is a matter of putting that learning to work.

## Applying the concept of a culture that amplifies the value of training and learning

A number of ideas emerged during the course of this project about the way various stakeholders might use the idea of a culture that amplifies the value of training and learning. These are identified in this section.

### ❖ For enterprises

When people in enterprises think about training and learning, they do so from two perspectives. One is about what *individuals* know and can do, the other is about the capacity of the enterprise as a whole to perform and innovate. Understanding the connection between the micro and macro—between the skill and knowledge of individual employees and the operation, productivity and profitability of the enterprise as a whole—is something many enterprises would like a better handle on.

Thinking about the ways the skill and knowledge of employees can be *amplified* may prove a useful perspective. On the one hand it requires thinking about means by which the skill and knowledge can be shared and spread to more individuals. On the other hand, it means thinking of ways the knowledge itself can be applied in new ways and through that imaginative, innovative use of it actually generate new knowledge.

❖ For training providers

The idea that a partnership should be established between training providers and their clients is, of course, accepted. However, the evidence from our study is that training providers do not always understand sufficiently the employers' motivation in purchasing training/advice nor the cultural context in which it will be used. It may help everyone if providers were to do an initial 'cultural analysis' of enterprises—in particular looking for those features which impact on training. For example:

- How will the training opportunity be interpreted? Will it be seen as a signal that the individual is respected and supported or as a sign that the employer is trying to squeeze yet more work from them?
- Will the learner have openings to talk about and share the new skill, knowledge or attitude with co-workers?—this is key if the learning is to be reinforced and amplified.
- Will the workplace actually allow the learner scope to exercise and further develop what has been learned?
- What is the opportunity for workers to build on their existing knowledge by coming up with new possibilities and suggesting changes? How are new ideas generated and captured in the enterprise?

These questions are merely indicative. The intent is to urge training providers and consultants about training to recognise that their 'product' needs to resonate with all the dimensions of the enterprise—from business imperatives and motivation through to shop floor climate. Sefton and Waterhouse (1996) came to a similar conclusion when they advise enterprises to move from a traditional training needs analysis to a total learning environment analysis in order to 'capture the holistic nature of learning and training' and its dependence on context.

❖ For VET policy-makers

A prime focus of VET policy and programs in the past decade has been the need to cast off the image of Australia as a low skill/low quality economy (Curtain 1996). The evidence that has emerged consistently in this study and, indeed, in the whole gamut of recent Australian VET studies of enterprises, is that if skill development is thought of solely in terms of credentialled training, the policy goal will not be achieved. VET policy needs to encompass the whole range of strategies and tactics by which enterprises and individuals in them can develop their skill and knowledge.

Policy also needs to recognise that it is not simply the amount, nor even the quality, of the training and learning which enterprises access, but the ways the skill and knowledge are amplified in the enterprise that makes the investment of time and resources pay.

# Conclusions (2): What is convincing to enterprises?

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Despite the differences amongst the Stage Two enterprises in size, industry sector, location, business environment and even in their attitude towards training and learning, it is significant that with two exceptions, the 21 firms we contacted were willing to commit time to thinking about training and learning for this research. Among the 19 participating enterprises, the material in *Building on other people's experience* captured their interest and convinced them to think again about their own approach to training and learning when:

- 1 The material 'clicked' with what they were already thinking about or had thought about but not acted on. Their attention depended on the timing of the material.
- 2 The interview with the researchers served as a trigger for respondents to explore their own ideas more fully. Their attention depended on talking about the material.

The fact that the process of using *Building on other people's experience* convinced our respondents to think about their approaches to training and learning is one thing. Whether they *do* something about it in the future is another matter altogether. And while most of the Stage Two enterprises responded to the invitation to think, they did have distinctly different ideas about what they would do (as detailed in the Stage Two chapter). It also needs to be remembered that we were not advising them to do one particular thing or another, but displaying for them the range of approaches to training and learning other enterprises had followed.

This chapter draws out the 'lessons' from the Stage two responses. It is structured in four sections. The first two describe how the two tactical aspects of connecting with enterprises—'timing' and 'talking'—are critical to arousing their interest in rethinking their involvement in training and learning. The third section considers what the differences in the responses of the Stage Two enterprises might contribute to any campaign to market the value of investing in training and learning to Australian industry. The final section considers how the findings and analysis of this whole study might be further developed and used.

## Timing: Reaching an enterprise at the moment of need

The importance of timing—the material arriving at the enterprise at a time when the issues raised are already of concern—is nicely illustrated in the following example. Only three Stage Two enterprises specifically commented on the theme topic *Training as a way of helping your community* but in each case it directly connected with existing enterprise concerns:

- ❖ Cleandustrial: *I've been thinking about the idea of serving the community on and off for six months. We don't do that but I want to start. Partly because if you can show you do that, it helps in winning government tenders. But I would like to do it anyhow. One question I have had, though, is what kind of work experience I could give to students.*
- ❖ Boyanup Auto and Rural: *When I saw it, I began immediately to wonder how much more we could do to help create employment for the area. The advice about talking to the local school about their needs from business makes sense.*
- ❖ Anglicare South Australia: *Good citizenship has always been very important for this agency ... Volunteers are one of our ways into the community but we need to think more about how the training we give them, or what more we could give them, could impact on the whole community. We've already had a few wonderful examples of how important it can be to volunteers and their families.*

Respondents often recognised that the material had arrived at an opportune moment:

*If you had come to us 18 months ago, training in our industry was non-existent. But we've been investing a huge amount in training since—about half government money and half ours. But if you*

*had come back then, we wouldn't really have had much to say to you. Now I am full of questions and your information helps, although it also is making me ask more questions.* (Airlight, Bond)

*The changes in the community service sector have been immense in the last few years. Our total spending on training has actually gone down as we try to be more strategic about what we do. I'm going to use the booklet in the big planning day we have coming up for the management team to help us focus our training plans.* (Mofflyn, Farriss)

*I think the whole booklet is excellent. I re-read it again last night and this morning and was reminded of that. But I have to say I also got pissed off with it. With the culture one I wrote down: Where are their measurements??!! How do they know morale is high??!! Then I realised it was just jealousy on my part. Everything I read I kept thinking: That's us—that's what we could be.* (Anglicare, Blackwood)

The question of timing also shaped the response of enterprises that did *not* engage much with *Building on other people's experience*. The company which eventually pulled out of the study, for example, pleaded a spurt of work and that they would be interested in talking to us at another time. The personnel development manager at ACI Glass in Adelaide, who met twice with a member of the research team, was so focussed on ACI's new multi-million dollar formal training program that until it is bedded down, he was not in a position to properly consider our material. However, the idea of seeing whether the culture at the plant changes as a result of the training regime is something that interests him and he may well use *Building on other people's experience* with employee committees some time in the future to explore workplace culture at the plant.

One enterprise which did not spend much time with *Building on other people's experience*—Tuki Trout Farm—appeared to have relatively little to learn from it. Although pressure of work was a factor for them, too, basically the time had passed when they might have used it to effect. They were already paying careful attention to the climate in which the skills of all personnel are developed and they used a wide range of tactics to do so.

While it is hardly a surprise to find that engaging enterprises depends critically on reaching them at the right moment, this study does provide a range of *documented* examples to illustrate the case. Timing will determine to a significant extent the response of an enterprise to overtures and information about training and learning from outsiders. Presumably, timing will equally influence the way they respond to questionnaires and surveys.

There is a second issue which is relevant to engaging an organisation: reaching the right person in the enterprise. This study of the Stage Two enterprises did not furnish enough information on that problem to resolve it. The more people in an enterprise who saw *Building on other people's experience* and talked about it, the greater its impact was, of course. The research team was a little disappointed that few managers distributed the material to more levels in the organisation. Their decision may have been prompted by the thickness of the printed booklet. Whether the take-up of the material would have been extended if the material had been presented via video or a CD-ROM or in smaller chunks (i.e. each case study and theme in its own more visually enhanced pamphlet) is one that warrants further investigation.

## **Talking: The material as a prompt for conversation**

How would the Stage Two enterprises have responded to the material if the research team had not gone to talk to them? If we had simply sent the booklet and prompt questions, would they have paid as much attention to it or thought about it as deeply? Since the research design did not include a control group, we cannot directly answer the question. However, from the evidence at hand, it appears that they would not have.

Two lines of evidence support this conclusion:

- 1 Many of the interviewees commented that our arrival was like a deadline:

*Originally I just flicked through it but yesterday I went through it page by page and looked at it in detail, and I'm very glad I did.*

*I re-read it again last night.*

*I finally got through it all last night.*

We were left with the clear impression that without a set meeting date, other things would have taken precedence and the actual task of engaging with the material often would have stayed a second-order priority.

- 2 Many of our conversations with the people in Stage Two enterprises became rich learning experiences in themselves. We were able to observe the interviewees' interest in the material grow as we probed their ideas and they probed ours. For example:
  - At the Ballarat Visitor Information Centre, the manager and the member of the research team began to think about the array of people who might be considered almost inadvertent volunteers in the centre's work—for example, gardeners in the local parks who are asked for directions, service station proprietors, shopkeepers and artists. So the two began, enthusiastically, to think about ways they might develop this connection and exploit it.
  - The director of SED took almost as many notes as the interviewer as they explored how the company might better use some of the informal strategies for learning and sharing which were suggested in *Building on other people's experience*.
  - At the Airlight Group, in the middle of the group discussing whether participating in on-going training might improve staff retention, the group managing director, Jim Bond, suddenly asked, 'What does it cost us to employ someone? A hundred dollars?'. Dissenting mumbles round the table. 'No, I'm sure it's more than that' ... 'I wonder' ... As the musing proceeded, Bond said, 'This talk is interesting. It raises questions'.
  - The training manager at iinet said during the interview over coffee, 'I like receiving this kind of material. It makes me think and reflect. But even more, I like talking about the ideas like this.
  - In the interview with City of Albany, Chris Grogan and the interviewer began to talk about the balances that need to be struck between formal and informal learning. At which point Chris said, 'We need to have the kind of discussion we are having right now much more broadly ... you know, most organisations have only one or two people looking after this sort of thing and they're very isolated'.
  - Sandra Bresneham at Wanneroo City Council said in the interview, 'It's a shame we can't fly our managers around to visit some of the case study sites so they could hear those people talk about their life's learning experiences in the flesh'. As we considered the possibility of finding local sites to visit, the idea also developed that the 17 managers at Wanneroo could be coached to think about their own life learning experiences as a way of generating some fresh thinking internally about skill development.
  - The training manager at Godfrey Hirst started the interview by saying he didn't much like the themes and issues section and that he found the case studies much better. But as we talked about some of the ideas he found important—like mentoring, training manuals, and setting expectations—he remembered that some of this was in the material in the first part and that it had, in fact, been useful.
  - One interviewee confessed to being puzzled by the Change Management Table in the 'soft skills' theme. When the ideas behind it were further explained, the person became quite enthusiastic and keen to use it.

It is worth noting here that the development of lively conversations—indeed, of learning conversations—during the interviews was as characteristic a feature of the encounters with enterprises that were not going to carry on using the material as it was with those that were. In terms of the categorisation of Stage Two enterprises as more or less likely to be influenced over the medium term by *Building on other people's experience* (pp.32–34), the examples cited above have the following distribution:

- ❖ 2 are 'cluster one' enterprises (the ones having little intention of engaging further with the material or applying it)
- ❖ 4 are 'cluster two' enterprises
- ❖ 2 are 'cluster three' enterprises (the ones most interested in changing their whole workplace culture)

We believe that what helped all of the interviews to be productive was that the original material was suitably memorable. The interviewees could recall, and did liberally sprinkle their conversations with, anecdotes and quotations from *Building on other people's experience*. There is a bit of voyeurism in most of us, and we were not unmindful of that in constructing

the entries. Experience is an excellent teacher and, while the stories deliver at best only a vicarious experience, it is, nonetheless, an experience. The fact that none of the content was startlingly new yet was able to make a strong impression on its readers calls to mind the line from Marcel Proust:

*Discovery lies not in finding new lands but in seeing with new eyes.*

It may also be the case that the material created a convivial context for the interviews because it did not operate from a deficit model. The booklet implicitly (and deliberately) said to its readers, you are no doubt knowledgeable and well intentioned already: here are some stories and ideas from other enterprises who may be a bit ahead of you or merely doing things differently from you—have a look. We probed to detect whether any of the Stage Two enterprises thought that the Stage One cases were ‘too good to be true’—so perfect that there was no point in trying to emulate them or learn from them. Not one person responded in that way. Indeed, time after time what we heard was ‘I could see us in that example ...’. The material was pitched to encourage enterprises not to dazzle them.

## Lessons for marketing training and learning to enterprises

Marketing campaigns are usually based around a matrix consisting of three principal elements:

- 1 the target audience(s): the whole of the intended population segmented according to one or two key characteristics
- 2 the message(s) to be directed to each segment (and why)
- 3 the channel or modes of communication which would most effectively reach each audience and through which the message would be best understood

This section examines each element of that matrix in turn. It concludes with a few thoughts on the idea of developing an *Australian* culture of training and learning—an appetite for training and learning embedded in our national character.

## Segmenting enterprises

Just as advertisers segment the market for new cars by gender and age, so might certain characteristics be used to discriminate amongst enterprises in such a way that one segment is likely to be influenced by one message about training/learning and another segment by another message. Research has suggested two lines along which enterprises might be divided:

- ❖ according to the factors which are known to drive enterprises to increase their training effort. Hayton et al. (1996) in a series of case studies developed a model which identified six factors as influencing enterprises’ commitment to training: workplace reorganisation, new technology, introduction of quality protocols, awards or industrial agreements, performance management, and business plans which include training. Any of these (or some combination) could, in principle, be used to create specific target groups.
- ❖ according to the enterprises’ current attitude towards and use of training/learning. The National Marketing Strategy for Skills and Lifelong Learning in Australia (Quay Connection et al. 2000a)—which is generally referred to as the ANTA marketing strategy—segmented employers into three groups on the basis of their responses to a telephone interview survey:
  - ‘high achievers’ (44%): who value all forms of training (on- and off-the-job, including non-work employee learning); are likely to offer more training in following 12 months
  - ‘here and now’ (37%): who value training but prefer on-the-job training and do not value non-work employee learning; are likely to offer training in following 12 months
  - ‘not interested’ (19%): who see problems associated with training (including the cost); are least likely to offer formal training to their employees in the next 12 months

A significant difference amongst the Stage Two enterprises in our study was the interest they exhibited in the informal learning strategies the Stage One enterprises were using. Some were very taken with specific tactics for introducing informal guidance and moving away from a reliance on pre-specified learning outcomes and many of these focussed further on the idea of shaping the whole culture to influence learning. Yet others were a little distrustful of informal

approaches and were less enthused by the material in *Building on other people's experience*. Although these divisions are real and interesting, it is our view that it would not be useful for marketing purposes to segment enterprises in terms of their preference for 'formal' or 'informal' learning/training. The distinction between the two approaches can too easily be exaggerated: they are not opposites; they do not place enterprises in opposing camps. The Stage One enterprises which most convincingly used their culture and informal modes of learning to enhance skills and develop knowledgeable practice were also most insistent that formal training had an important role to play.

The criterion we would propose for segmenting and characterising enterprises is the learning outcome wanted. At first sight this may appear a naive ground. It sounds a bit silly to point out that enterprises engage in learning/training so individuals (and the organisation) *learn* things but there is evidence to support the tactic. Respondents from both the Stage One and Two enterprises in our study made it clear that when their organisation (and individual employees) put in place arrangements for learning/training—irrespective of the degree of specificity or formality—the goal was simply and unambiguously to acquire skill, knowledge, or insight that could be put to work. A larger study by Kilpatrick and Crowley (1999) also observed that enterprises, in the first instance, think about their involvement in training and learning directly in terms of what they want learned e.g. to glean new business opportunities or to solve a particular problem. Indeed, the ANTA marketing strategy survey found that enterprises engage in training/learning to fill gaps in the existing knowledge or skill base.

Table 2 illustrates possible enterprise 'segments' which are suggested by our study, the Kilpatrick and Crowley survey (1999) and the ANTA marketing strategy survey (Quay Connection et al. 2000a).

Table 2 is only indicative, but seems robust enough to suggest that segmenting enterprises on the basis of the applicable learning required may be a useful tactic. Mulcahy (2000) also described enterprises' involvement with training/learning in a way that fits with this approach to segmentation. Moy and McDonald (2000) provide a taxonomy of some 50 common outcomes enterprises seek from training and learning. The list is based on a thorough and detailed analysis of the literature on returns for investment in training.

The advantages of segmenting enterprises directly in terms of the learning they want to acquire include the following:

- ❖ It focusses attention on the skill, knowledge—one might say on the stock of human and intellectual capital—in Australian enterprises. Increasing that stock is the specific problem which the VET sector is expected to help solve.
- ❖ It de-couples training and learning from business results. There is a school of thought that says enterprises will only become committed to training/learning if they can see the results clearly on the bottom line, and it is true that skill and knowledge in an enterprise contribute—and sometimes can be shown to contribute directly and significantly (see, for example, Blandy et al. 2000 and Maglen, Hopkins & Burke 2001)—to an enterprise's overall success. Nonetheless, training/learning is never the sole factor in success, as that research and many of our enterprises pointed out (see pp.29–31). It is also the case that enterprises with a very skilled, knowledgeable and imaginative workforce can fail or falter in their final business results. So while the bottom line is a key consideration, it is a by-product. There may be advantages in decoupling the two so the results of learning can be seen in their own right as builders of human, social, and knowledge capital which the enterprise can then invest for profit. The importance of enterprises understanding their stock of knowledge and skill is a recent management tenet (Sveiby 1997; Hansen & von Oetinger 2001).
- ❖ It makes clearer that just as different learning outcomes are required, so there is a myriad of different ways to achieve those outcomes. An immense amount of vocational learning takes place quite independently of the formal VET system in Australia. It may be that if the map of different outcomes (and consequently of different mechanisms for learning) were clearer, the policy demarcation between formal, certified development of skill and the equally important internal development of robust cultures of 'bottom up' workplace learning might become less of a policy gap.
- ❖ It underscores the fact that a number of individuals in an enterprise may have roles to play in fostering different aspects of learning/training (including 'shop floor' workers).

**Table 2: Segmenting enterprises in terms of learning outcomes**

<b>Learning outcome</b>	<b>AAAJ consortium study</b>	<b>Kilpatrick and Crowley small business survey</b>	<b>ANTA marketing survey</b>
Specific skills to comply with external standards	Examples: Harvey Beef to obtain license to export beef Airlight Group to win a Worksafe silver rating Cleandustrial—to meet government tender preference	Almost half the small businesses surveyed who had attended a course did so because they were required by law, an award, customer or supplier.	Only 3% of respondents said they engaged in their single most important form of training to meet OH&S or other government regulations.
To meet an enterprise's internally identified need for action (including need for innovation)	Examples: Salty Seas to solve the myriad of problems in developing the business—e.g. maintaining the right temperature in the packing room; setting up live fish tanks O'Reilly's Guest House to multi-skill individuals who work in an isolated location Pretzel Logic to stay ahead in the frenetic race in web site design	Prompts for undertaking any type of training or learning activity included: improve efficiency 51% ongoing training, keeping up to date 45% solve a problem 29% Mentors and consultants were cited as the training 'source' most likely to be used for solving specific problems.	Employers were asked what (if any) specific training they planned to offer in the next 12 months: technology/computer IT 19% first aid, OHS 12% marketing, sale skill 7% tax, GST, finance 7%
Changing the way people at work relate to one another—to change the culture	Examples: Stelform Engineering wanted more open communication about sensitive issues Simplot Kelso wanted the lines to work as self-reliant teams Anglicare South Australia wants to reinvigorate a culture where people take the time to learn through conversation and reflection	Possible synergy between training/learning and workplace culture was not specifically addressed but the authors did conclude: 'A change in attitude toward a learning culture in small business must be accompanied by easy access to relevant learning and training.'	[No questions addressed the way workers relate to one another or about changing the nature of the workplace environment.]
Identifying a new business opportunity	Enterprises in both Stages One and Two were selected specifically because they were involved in local networks: Stelform Engineering through HunterNet; the Ballarat businesses through BRACE; Harvey Newsagency through the Leschenault Business Enterprise Centre, the Kalgoorlie businesses through the Goldfields Business Enterprise Centre. As intended, all participants used these networks to get ideas about new opportunities.	In the survey of 181 small businesses, the prompt 'seek new opportunities' as a reason for undertaking learning activities was cited 152 times. Attendance at seminars and meetings was the way the businesses learned about new opportunities.	Employers were asked how important a number of statements were in influencing the company to offer more training, either formal or informal. The statement <i>Training brings new ideas and innovations to the business</i> ranked third with 80% of employers saying it was very important or important.

To suggest that one way to segment the enterprise 'market' for training and learning is directly in terms of the learning to be acquired and applied is not to suggest it is the only way. Indeed, an argument could be made that it is too simplistic—a retreat from the sophisticated need to think of, and evaluate, training/learning in terms of Kirkpatrick's highest level measuring 'real' business results (Fuller & Farrington 1999, p.85; Boverie et al. 1994). However, what we are concerned with here is segmenting enterprises for marketing purposes. Those big final rewards may be so dependent on the internal dynamics of an enterprise that it treads the line of false advertising to promise the distal end when all that is actually being sold is the development of skill and knowledge and attitudes.

The proposal that enterprises might be segmented according to the specific outcomes to which new skill and knowledge needs to be applied seems to have enough substance from our and other Australian research to merit further development. It is not opposed to the current ANTA marketing strategy of discriminating amongst enterprises by their attitude and behaviour towards training/learning but a refinement of it. It is a way of viewing the need for learning/training in terms the enterprises themselves use rather than in terms of an outsider's calculation of how much (or how little) learning/training is encouraged and applied.

## Messages

One of the most important findings of this study—and we cannot emphasise this too strongly—is that enterprises appreciate getting *real* detailed insight into how other enterprises operate. They pay attention to how *exactly* problems or issues of concern to them have been handled by others. Time and again we were told that the 'messages' in *Building on other people's experience* were worth reading because they were honest, candid and lively and, therefore, carried genuine authority.

That finding needs to be thoroughly understood and enacted in any strategy to market learning/training. Abstractions and simple good news stories of the trust-me-training-worked-for-me variety have very little power. They are not convincing. To be convincing the teller has to truly share, not preach, and acknowledge the potential difficulties as well as the rewards. A good story depends on light and dark.

As the ANTA marketing strategy research surveys found, most people do not have to be sold on the value (and even the pleasure) of learning. It may be the case that enterprises, like individuals, who have not pursued further learning may have some justification, including having gained little value from it in the past. Their reasons for hesitating need to be acknowledged: people do not respond well to being criticised for not being currently engaged in learning.

It was also brought to our attention by enterprises in Stages One and Two that training awards do not always inspire other enterprises to follow in their path. There are a number of reasons for this. Sometimes the award winner appears to have special unmatched qualities or advantages. At other times the award can seem a little patronising. Most damaging, however, are the occasions when the enterprise which received the award is not highly regarded locally. There is a persistent danger that training/learning will be oversold.

The specific content of messages designed to encourage enterprises to lift the skill and actionable knowledge of its workers will depend on circumstances—and the exact intent of the marketing strategy. The one thing we would urge, in every circumstance, is that vocational education and training not be portrayed as merely 'filling' individuals with skill and knowledge already known elsewhere. It should be depicted as a genuinely inventive activity where ideas and new capacity come from people's imagination and, especially richly, from talking and thinking with co-workers. In a similar vein, it is important to *observe* and assess workers' (and managers') skill and knowledge but it is as important—and perhaps more fruitful for the enterprise—to *ask* workers (and managers) what they have learned and whether they have applied it and if they have not, what has blocked them.

## Channels/modes of communication

Of the many available modes of communication—print, video, voice, multimedia, CD-ROM transmitted by fax, phone, teleconference, email, the press, the post, broadcast, the Internet—the methodology of our study accessed only five: print-based materials; postal delivery; the telephone; email; and face-to-face conversation. In other words, our lines of communication in 'marketing' *Building on other people's experience* to the Stage Two enterprises were narrow, even old-fashioned.

There are a few points, nonetheless, which can be made on the basis of our study that ought to inform any decision about the channels of communication to use in marketing ideas about training/learning to enterprises:

- ❖ Maximise the extent of personal and direct interaction with people in the enterprise

The tactic we used to understand whether (and why) the material in *Building on other people's experience* was convincing to the Stage Two enterprises was, in essence, to make

'house calls'. As documented earlier in this chapter (pp.49–51), the importance of *talking* about the material—so people in the enterprises could ask questions, probe our ideas and we could, in turn, help develop their thinking, should be benchmarked as the 'most desirable' way to interact.

The meetings with the Stage Two enterprises mirrored the 'learning conversations' we had already noted in Stage One enterprises and reinforced the observation that conversations matter. People learn from talking. Not only do they learn in the sense that they acquire new ideas, but the conversations also serve as a motivator. They add a nudge, at least, towards action.

Interactivity through multimedia and electronic forms of communication is becoming more and more imaginative and effective. The key to using these new channels will be the extent to which they allow true interactivity between the sender and receiver of the message—for example, the recipient enterprise is able to interrogate the material, even play games and challenge the scenarios presented in the material.

- ❖ Interact with as many people in the enterprise as possible—the more the better

One of the important lessons we learned in Stage One where we had two days, as a rule, on site speaking with people at every level in the enterprise is that critical thinking about learning and skill development occurs at every level in enterprises. This is in line with Billett's (2000) observation that the equation for workplace learning contains two terms—affordance and engagement, and engagement is a decision each employee makes.

The tenor of response to *Building on other people's experience* was of a noticeably different order in Stage Two enterprises where the booklet was distributed by management to a number of people in the enterprise, but whether that was a cause or a consequence of management's initial interest in the ideas is unclear. It is clear that once a number of people started to talk about the ideas amongst themselves, the level of interest tended to spiral upwards—an effect that is well known, and wisely used, in marketing (Windahl & Signitzer 1992, p.53).

- ❖ Use existing networks which link enterprises to one another:

This study and others (for example, Kilpatrick 2000; Kilpatrick & Crowley 1999) have observed the importance of business and professional networks in injecting new ideas and resilience into participants. One aspect of their importance, which we had not fully appreciated at the start, is that enterprises are often loathe to contact one another directly and need to be brought together through the auspices of a broker who generates the network—for example BRACE in Ballarat, HunterNet in Newcastle, the business enterprise centres in Bunbury and Kalgoorlie. We had expected that Stage Two enterprises might actually contact Stage One enterprises since enough detail was available for them to do so. Some said they would have liked to, but clearly felt it inappropriate to do so.

In sum, to market ideas about training and learning to an enterprise, the messenger has to be honest and respectful and needs to be able to listen to and answer questions from the enterprise. Those precepts hold no matter who the messenger is: ANTA, a State training authority, an industry training advisory body, a registered training organisation, a private trainer or training consultant. There are many messengers trying to convince enterprises that they should do 'more', or 'different', or 'better' in terms of developing the skill and capacity of their workforce. If enterprises do not heed the messages, it is not necessarily because they are being wilfully intransigent.

## An Australian culture of training and learning?

The idea that a culture which actively encourages learning and skill development ideally ought to be national in character, part of an Australian identity, needs to be carefully considered. The importance of a society's culture and values in determining its economic development was the subject of a Harvard Academy symposium featuring some of the world's most respected scholars from a variety of disciplines (Harrison & Huntington 2000) and their assessment that culture does indeed matter has put the issue squarely on the international agenda.

Kearns and Papadopoulos (2000) specifically addressed the influence of national culture and values on the way links are forged between skill formation, learning, enterprise and innovation in five OECD countries. They compare Australia's policy framework, resources and culture to those of the five and conclude that Australia has serious work to do if it is to

create those links and inspire a desire—preferably, a demand—for lifelong learning in every one of us. They note, for example, the imbalance in the high esteem traditionally given to academic achievement and the lower status awarded vocational and trade qualifications in Australia. They might have added (had it been available at the time), the troublesome finding in the ANTA marketing strategy survey (Quay Connection et al. 2000b) that Australians, while they like learning, found formal study and education of *every sort* a less than rewarding experience.

The model which is sometimes held up to Australians is the way we have a sporting culture which far exceeds that of other nations (Schofield 1998). It is a slight exaggeration, but only slight, to see this sporting culture as a very specific instance of a training/learning culture. There is the dedication to skill development by individuals, the way particular sports change in response to the learning and skill accumulated, and the extensive informal learning conversations about sport in the broader community. Nonetheless, it is not likely that the general community will see sport as a convincing exemplar of vocational education and training and apply its lessons to workplace skill and enterprise development.

A few observations gleaned from the Stages One and Two enterprises might contribute to the development of an Australian culture that values vigorous training and learning. The observations are briefly outlined here:

- ❖ The managers of many of the enterprises actively participate in networks—regional, industry-sector and professional. Thus, while they are predominantly, and rightly, focussed on making their own enterprise effective and successful, they are not indifferent to the wider community and recognise the value of mutual learning webs. Strengthening these inter-enterprise networks may be an effective lever for growing an interest in high skill training and learning and spreading it through the culture. External support for these networks must not allow them to become bureaucratic; their spirit of informality and volunteerism needs to be maintained. One must also be careful not to *tell* these networks that training and learning is a ‘good thing’. The groups need to determine what is a ‘good thing’ for themselves and build on that assessment.

Employees have lives outside of work and they often participate in community activities. It may be interesting for an enterprise to do a stock take of this participation, encourage it, and possibly use it to further develop its own ‘official’ links with the community.

- ❖ An Australian sense of egalitarianism and openness could be observed in many of the enterprises we visited. This suggests that workplace learning which depends on sharing skill and knowledge, helping one another, is not antithetical to the Australian character. It is true, of course, that workplaces are contested arenas and that no utopian picture of universal sharing and caring amongst workers in Australian workplaces should be drawn. Nonetheless, managers can shape the culture of their workplace so it develops into a supportive environment and one in which most people are willing to help one another. A few of the enterprises we spoke with had been through serious industrial relations problems but reported that they had repaired or were in the process of repairing the damage done to interpersonal relationships during the confrontation.
- ❖ The most notable *missing* ingredient in developing a national culture where learning and training take precedence is that training providers themselves do not appear, as a general rule, to have a strong and compelling optimism about their capacity to build a very highly skilled and dynamic workforce. There are many exceptions, but the anecdotes detailed in our study, where a number of enterprises had been disappointed with the level of the training received, combined with Schofield’s (2000) systematic findings of quality lapses in the training of apprentices and trainees indicate that precisely where one would expect the vision and energy for a cultural change come from—from the training providers themselves—both are in short supply. If we are to grow a culture of learning/training that in any way approximates our sporting culture, we must be able to share an unwavering faith in the capacity of training and learning providers to lift our game.

The majority of the enterprises we spoke to, in both stages of this study, want to have workplace cultures where people get on well with one another, support one another and where the knowledge, skill and capacity of individuals and of the enterprise expands. They are, understandably, not always sure how to accomplish this. This kind of workplace is not the tradition in Australian industry so people at work now have to invent things for themselves without familiar exemplars. The positive aspect is that from our study it appears to be relatively easier to do these things in small to medium-large enterprises than in

enormous multi-national conglomerates—and small to medium-large enterprises are the mainstay of the Australian economy.

## Where to from here?

We undertook this project without any pre-conceived ideas of what would be convincing to enterprises about training and learning. What we found was that across the wide range of size, industry and location, enterprises were interested in the way informal approaches to training and learning—in terms both of guidance and goals—could contribute to the development of skills, knowledge and innovation in an effective and cost-effective way. They recognised, too, that once informal approaches are adopted, workplace culture plays an essential role: the values and relationships amongst employees (at all levels) determine the usefulness of the strategy.

In view of these findings, it might be useful to refocus the material in *Building on other people's experience*—especially the themes and topics; possibly including a few more case studies—so it specifically concentrated on informal approaches: the types, how they work, how to impose discipline and rigour on them, the interplay between the formal and informal, the way they relate to the perennial problems of cost, staff retention, external regulation and the demand that enterprises prove their capability. Authoritative and enterprise-friendly information of this kind is largely absent from the VET sector at the moment.

Any revised set of materials should serve as the basis for what, in effect, would be a new stage—almost a Stage Three—of this project. To be of maximum value, four considerations should apply to further work:

- 1 The material should be produced in many formats, including highly visual versions, so that it is attractive and useful to workers across the enterprise.
- 2 The way the revised material is used by enterprises should be the focus of a longitudinal study far more thorough than was possible in Stage Two of this project. Enterprises (or at least a selection of enterprises) that receive the material should have a mentor/researcher who would work with the firms over at least a 12-month period as they invent and implement their strategies. The process and outcomes would be carefully observed and recorded.
- 3 These enterprises should be re-visited at yearly (or more frequent) intervals for several years because one of the least understood or researched aspects of training and learning in enterprises is of the way strategies decay or amplify over time.
- 4 It may be wise to select 'Stage Three' enterprises from industry sectors which Australian policy has prioritised as ones in which an increase in the skill and innovation of the workforce would have the greatest impact on the Australian economy.

It is our sense, and that of many of the enterprises and other researchers we have spoken with about our project, that the rich insight and material generated in Stages One and Two ought to be further developed. The work has opened up new possibilities and to realise the full value of what has already been accomplished, much interesting work lies ahead. To phrase it in the vernacular—the project has more legs yet.

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