

## Getting the job done: How employers use and value accredited training leading to a qualification – Case studies

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# Contents

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Executive summary	4
The study	4
The findings	5
The implications	6
Introduction	7
Research questions	7
Automotive manufacturing: Excell Motor Company	8
A perspective from the automotive sector	8
Introduction	8
Excell issues	12
Conclusion	16
References	16
Viticulture: North Star Wines	17
A perspective from the wine industry	17
Introduction	17
Objectives	18
Training	18
Government subsidy	20
The VET system and current training needs	21
Meeting training priorities with accredited training	21
Rating provision of accredited training	21
Demand for flexibility	22
The influence of the Training Package	22
The VET system responding to needs	23
Recognition of other qualifications	23
Is the organisation a learning organisation?	24
Links between qualifications and productivity	24
The nature and size of the business and the impact/importance of qualifications	25
Factors involved in selection of an external provider	25
Other factors affecting involvement in accredited training	26
Future training developments	26
Biggs Power Company	27
A perspective from the power industry	27
Introduction	27
Organisation profile	27
Levels of accredited training	29
Relevance and value of accredited training to employees	30
The VET system meeting needs	33
The organisation as a learning organisation	35
Other factors	36
Surfboard manufacturing	38
A perspective from the surfboard industry: “From the shape right through it’s a precision job”	38
Introduction	38
Shaping: The currency of skills	40
Quality and cost influence training	41

The importance of ‘qualifications’ in recruitment	41
Training that works	42
Qualifications and recruitment	43
The future	44
References	44
Baking	45
A perspective from the baking industry: Patriarchs, profiteroles & pastrycooks.	45
Introduction	45
Significant differences	46
What it means to be ‘qualified’	46
Changing lifestyles	47
A level of passion	48
Business orientation	48
From a craft tradition to mass production	49
A proactive TAFE strategy	50
Seafood	52
A perspective from the seafood industry: A different kettle of fish	52
Introduction	52
Motivations for formal training: The value of qualifications	53
The role of the training provider	55
Building sustainability through formal training	55
The role of government support	56
Information technology	58
A perspective from the information technology industry: Evolving technology, evolving workers; “If you don’t keep on top of it, you’re screwed.”	58
Introduction	58
The need for qualifications: Meeting high expectations and industry needs	59
The significance of qualifications: Screening for potential and emphasising quality	60
Impressions of the VET system and providers: Using what works for us.	60
Keeping up to date: The learning organisation	61
Promoting learning and excellence	62
On-line learning	63
A changing world – the importance of IT literacy	63
Conclusion	64
References	65
Hospitality	66
A perspective from the hospitality industry: “We are an apartment building, not a hotel”	66
Introduction	66
Recruitment	67
Why accredited training?	67
Perceived benefits of training	68
A learning organisation?	69
Government subsidies	69
Other needs	69
Summing up	70

# Executive summary

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## The study

*We've got to look at the competencies and what they mean to the company ... what's the outcome we want and they (VET providers) have to work towards that.*

This statement, from one of the employers interviewed for this project, encapsulates several of the key findings of this study. It signals, implicitly if not explicitly, that Vocational Education and Training (VET) sits upon contested terrain. There are multiple stakeholders in the system and they are all looking for their own outcomes. Employers, one of the most important stakeholders, are no exception and their views are a critical factor in maintaining the integrity and credibility of the system. The statement reflects public policy, expressed through the Australian National Training Authority (ANTA), advocating a 'demand driven' training system. That is, a system responsive to expressed needs, rather than 'supply driven', or shaped by what training providers want to offer. The statement also reflects the competency based training paradigm upon which our national training system is based.

Most importantly, when this employer says we need to consider the competencies and *what they mean to the company* s/he reflects the importance of *interpretations and meanings*. That is what this study was all about.

For some, the meanings of competencies, industry standards, Training Packages and qualifications might appear obvious, self evident or fixed. However texts, whether sophisticated or simple, do not contain meanings in themselves. They must be read, interpreted, understood. Only human beings can construct meanings and they do so on the basis of their own history, culture, experience and context. To add to the complexity, even individuals who share these factors will often differ in their meanings, interpretations and understandings – and these differences may be both imperceptible and significant.

This study, considering the use and value of VET qualifications to employers was based on a series of interviews with employers across several different sectors of the Australian economy. The aim was to explore, with them, how they perceived, utilised and valued qualifications. The study was premised upon an understanding that employers do not always value training the way VET professionals, practitioners and policy makers might wish.

The interviews were conducted with employers in:

- Baking,
- Wine production,
- Automotive manufacturing,
- Seafood processing and retail,
- Coal mining/power generation,
- Hospitality accommodation
- Information Technology
- Surfboard manufacturing

Locations for data gathering included companies in Victoria, New South Wales, South Australia and Queensland.

The study was qualitative in nature, constructing cases studies and exploring the meanings, use and value that these employers placed upon qualifications. The research addressed questions from three points of view:

- the industry context,
- the enterprise perspective, and
- the employers' perceptions of training providers.

The case study enterprises included larger, medium and smaller enterprises. The larger enterprises were parts of multi-national corporations, such as the automotive manufacturing and coal mining/power generation businesses. The smaller businesses, such as the family owned bakeries, had an average of 12 employees.

## The findings

The use and value of VET qualifications to employers is determined by a complex web of inter-related factors in the industrial and organizational context of the enterprise. VET professionals are in no position to articulate the benefits of training or advocate qualifications if they do not have a rich appreciation of this context. The findings of this research suggest that this understanding needs to go beyond a superficial or generalised appreciation of the industry setting.

The study confirmed that employers often are ambivalent about the value of accredited training. The employers contributing to this study were generally positive about the value of training for their employees – they were *less confident about the perceived benefit to their businesses*.

Overwhelmingly, issues of compliance and staff morale featured prominently in employers' decision making about accredited training. Significantly, union representation in the large enterprises influenced the type of accredited training that was provided. Compliance emerged as a key reason for engaging in accredited training. Examples cited included training to address hygiene, food handling, and occupational health and safety requirements.

The availability of government incentives and subsidies was also an important factor for employers, particularly within smaller enterprises. For the employers contributing to this study however, price, or the cost of training, (although important) was not the primary consideration. What was considered most important was the perceived capacity of the training provider to design, develop and implement a program that genuinely addressed the enterprise needs.

In most cases, even in the absence of formal business plans, employers had clear objectives against which they judged the value of accredited training. However their points of reference, or 'benchmarks', were often not the same as those of VET representatives. Whilst representatives of the VET system value industry standards and packages these system artefacts are of secondary concern to the employer. Indeed they may be quite meaningless without effective explanation and mediation.

There is considerable pressure from enterprises for *localised interpretation* of industry skills and standards. The challenges of effective customisation, and the development of context-based programs, are exacerbated by a mutual lack of understanding of the respective world views, systemic or organisational constraints, needs, *and possibilities* on the part of both employers and VET providers/advocates.

A focus on multiple strategies for effective learning, emerged as a key need in the development of educational designs which are consistent with industry standards, National Training Packages *and* the requirements of particular enterprises and contexts. The needs identified suggest the inadequacy of conceptualising VET in terms of simply 'delivering' training programs.

Improved communication between employers and VET representatives emerges as a key factor in maintaining the quality of the VET system and its responsiveness to its employer constituency. Not surprisingly, employers consistently reported that they valued training providers that were prepared to listen to their needs.

Some of the employers involved in this study were well familiar with the language of the training bureaucracy and of Competency Based Training (CBT). More broadly, we also note that some employers are members of powerful and effective employer and lobby groups which have a significant effect upon the training system. However not all employers are so connected. Paradoxically, in an industry driven system, some employers, as consumers or customers of the VET system, know so little about the VET system, and teaching and learning possibilities, that they are unable to advocate effectively for their own needs, or those of their employees.

## The implications

The study suggests significant challenges for the VET sector if employers' expectations are to be addressed effectively in the wider context of VET responsibilities to individuals, as well as to regions and communities. It argues, that what is required are new levels of competence for VET professionals in many areas of the VET system. Following the work of Sandberg (2000) the findings of this study suggest that the higher levels of competence required also entail a reconceptualising of the work of VET professionals.

For VET advocates, providers or others, to engage with employers with a view to promoting VET programs, products and services, they need to be prepared to listen effectively, to learn quickly, to appreciate the tensions, contradictions and constraints involved and to educate their 'clients' or consumers. They, as providers, also need to be flexible, available and adaptable, and to adopt a service – yet not servile – orientation. The VET practice required is not merely program delivery. It entails a sophisticated, critical, yet pragmatic appreciation of diverse learning strategies – including informal, work-based and experiential learning strategies – and the multiple ways these might be used to address negotiated and agreed goals. VET management needs to authorise and empower practitioners to work in this way.

VET advocates, managers, providers, brokers and the like, also need to appreciate that there is a need for continuing education in the VET marketing process. In this sense the 'target' learner is not only the trainee or learner to be enrolled in the program but his/her boss as well.

The study also shows that employers view appropriate employee attitudes, values and even passions as essential elements in being able to do the job to their (the employers') satisfaction. This finding is consistent with the findings of other recent work which emphasises the place of employee attitudes, values and attributes (see Kearns 2001, Curtis & McKenzie 2001, Virgona et al 2002, Mournier 2001). This focus raises serious questions about the appropriateness and the capacity of VET providers – and the VET system – as the means for the enculturation and socialisation of employees. Given the requirement for national and transportable qualifications, then whose values and attitudes will be the determining ones? How will principles of access, multiculturalism, inclusivity, gender equity and diversity be maintained?

Whilst employers form an important VET constituency, there are also other interests to be considered. The education and training system has wide community and social responsibilities. Recognising these wider concerns and appreciating the bigger picture highlights points of tension and potential contradiction. It is essential that these tensions are recognised and appreciated. Failure to do so inevitably leads to a failure to manage them effectively.

# Introduction

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## Research questions

This document, carrying the case studies from this research, is a support document for the report, *Getting the job done: How employers use and value qualifications*. The report provides an overview of the study, outlines the methodology and discusses key themes and issues emerging from the research. This document does not duplicate reporting on these aspects of the study. However, the *Executive Summary* summarises the findings and the implications of the study. The research was qualitative in nature, based on interviews with stakeholders in the enterprises and the construction of case studies.

The research questions were designed to address the issues identified in the research brief prepared by NCVER. It identified the use & values of qualifications as a field requiring further investigation. This project was one of three projects funded under this priority (see The national research & evaluation strategy for VET - 2001 to 2003 NCVER 2000). The research questions were clustered around a consideration of the industry contexts for the case studies and the perspective of the enterprises contributing to the study.

## Industry context

- i. Does the industry context shape or influence the use and value of qualifications? If so, how?
- ii. Why do employers choose accredited qualifications?
- iii. What role do industrial issues play in influencing employers' perceptions of and commitment to training and qualifications?
- iv. Is there consistency across different industries in the relative importance given to different types of qualifications?

## Enterprise perspective:

- v. How are qualifications used by employers in their industries? For instance, is there a commitment to 'in-house' and 'on-job' training for qualifications or are qualifications primarily point of employment tools?
- vi. Does the nature of the business affect the perceptions or importance of qualifications?
- vii. Are VET qualifications from preferred providers valued more than others and if so for what reasons?
- viii. Does the size of the company have an impact on the importance of a qualification?
- ix. How does the employer perceive the relationships between workplace learning, training and qualifications?
- x. What is the profile of qualifications held by employees in the organisation?
- xi. Is there a perceived link between qualifications and productivity?

# Automotive manufacturing: Excell Motor Company

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Excell Motor Company, established in Australia for over 50 years, is an international company producing vehicles and components for the domestic and international market. International rationalization of this industry worldwide, over past decades, has placed great cost and competitive pressures on this company. Domestic tariff reduction strategies established during the Whitlam years, later through the Button plan, have created a leaner, more efficient and productive, high quality industry. Unionists played a significant role in shaping the National Training Reform Agenda, which linked skills development through accredited training, to wages. The major stakeholders in this sector have had considerable experience at negotiating, designing and implementing accredited training programs for the bulk of their 'non-trade' employees. These experiences are reflected in the comments of our interviewee. It is worth noting here that Excell is the only one of our case study participants that is a Registered Training Organisation (RTO). Within the automotive industry the key contextual factors shaping the use and value of qualifications appear to be:

- Federal government policy for the industry. For example, phasing out of tariff protection
- Enterprise Bargaining Agreements and the role of unions
- Pressures from international/global competition
- The need to increase flexibility and devolved responsibility.

## A perspective from the automotive sector

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*"Build them where you sell them."*

Founding Father: Excell Motor Company

## Introduction

The following is a case study of the use made of, and value placed on qualifications by the Excell Motor Company Australia. As with the other case studies conducted during this research, this story was compiled on the basis of data gathered primarily through face-to-face interviews.

Excell Motor Company, established in Australia for over 80 years, is an international company producing vehicles and components for the domestic and international market. International rationalization of this industry worldwide, over past decades, has placed great cost and competitive pressures on this company. Domestic tariff reduction strategies established during the Whitlam years, later through the Button plan, have created a leaner, more efficient and productive, high quality industry. Unionists within this industry played a significant role in shaping the National Training Reform Agenda, which linked skills development through training, to wages. The implications of these developments have had some influence at Excell. The major stakeholders in this sector have had considerable experience at negotiating, designing



and implementing accredited training programs for the bulk of their 'non-trade' employees, this company is no exception. These experiences are reflected in the comments of our informant. It is worth noting here that Excell is the only one of our informants that is a Registered Training Organisation (RTO).

Despite losing some of its market share since the mid 1990's Excell has been able to maintain a place in the highly competitive Australian domestic automotive market. The company's experiences reflect the intense competition and increasing exposure to the global economy. As part of a multi-national corporation Excell is the largest employer involved in this study. The company is part of a multi-million dollar international industry. In 1997 the value of local vehicle production was estimated as being \$6,957 million. In the following year (1998) the Australian motor vehicle manufacturing sector produced 323,423 vehicles, 60% of these vehicles were manufactured in Victoria by Excell and its competitors (Automotive Training Victoria 2002). As illustrated in Table 1, the overall turnover of the automotive manufacturing sector reached 17 434.6 million dollars in the year 2000. Employment in the automotive manufacturing sector from 1996 to the 2000 averaged 54,149 employees accounting for 0.83 of the Australian workforce.

This case study is not the place to canvass the complex factors, which have ensured Excell's success in this environment. However following this investigation of the use and value the firm places on qualifications, it might be possible to point to the significance of education and training as one factor supporting its success and longevity in the Australian market.

## Historical context

The Excell Motor Company has had a long involvement in the Australian manufacturing sector and has had a plant in Victoria for over 50 years. The early international orientation of the Excell Motor Company is illustrated by the fact that within three years of the founding father's establishment of the firm, they were:

*... exporting cars to Europe. Within ten years, Excell had assembly plants in Canada, Europe, Australia, South America, and Japan, Excell's policy was to become a contributing citizen in every country where Excell sold cars. (the Founding Father's) slogan was "Build them where you sell them. (Automotive Services Department 2002)*

The Excell Motor Company continues to uphold this early Excell edict and continues to maintain a manufacturing plant in Victoria despite the impact of increased competition

from the other Australian based manufacturer's, as well as Asian imports and the shift to a less protected economic environment.

## Industry context

In discussing the value placed on qualifications by employers the representative from an industry training organisation (Interviewee No. 3) pointed to the growing dissatisfaction with traditional notions of training and certification within the automotive industry. Interviewee No. 3 asserted that the employers in his industry still regard a: *... trade qualification as being the benchmark of a qualified person in the industry. That's a little short-sighted. I think they're changing, but that's probably where most people are at* (Interviewee No. 3). Interviewee No. 3 goes on to say that this view is changing:

*... It is changing reasonably quickly. For example we are about to go through a redevelopment of our programs and the sorts of things that are coming out from industry feedback is that we don't want to use the traditional term trade, or apprenticeship. These terms narrow the focus of industry training and are failing to attract young people into it, we want advanced technical skills, we want advanced managerial skills. So it's moving away from the traditional view of an apprenticeship leading to a trade certificate and if you look at the changes in technology in the industry you can no longer have a very traditional view you have to have quite different skills to come in and work in the industry* (Interviewee No. 3).

The rapid change in technology described by Interviewee No. 3 and the concomitant demand for advanced skills and competencies is having a significant impact on the types of training and qualifications demanded by the manufacturing sector of the automotive industry. Whilst Technical and Further Education (TAFE) institutions are still the primary source for the majority of the skilled workers demanded by the sector, there is growing disquiet about the ability of TAFE to continue delivering a high level of training. According to Interviewee No. 3 although manufacturers:

*... are still relying quite heavily on TAFE colleges I would have to say that confidence in TAFE being able to deliver has become quite a critical issue. In particular the aging educational workforce is not helping. It seems that a lot of the people who are teaching have been out of the workforce for almost 30 years and as a consequence many of them are not really aware of the changes in technology. They might read about it but they are not in contact with it on a daily basis (Interviewee No. 3).*

Interviewee No. 3 goes on to criticize the structure of qualifications offered by the Vocational Education and Training (VET) sector in general. According to Interviewee No. 3:

*... Qualifications are still in many cases too long and despite the fact we have a competency based system they are still hour based. We had a meeting recently and people were saying "Why have we still got four-year apprenticeships. We don't need four-year apprenticeships". So I would move away from a time based system. The acquisition of skills and therefore qualifications because they are not flexible enough stymies individuals' development and fails to meet the needs of employers. There is probably too much support for the acquisition of skills and qualifications at the lower end of the AQTF rather than at the post AQTF 3. What we are now looking at is not huge growth in numbers in the automotive industry but there is a need for continual retraining of existing workers and the access to higher qualifications, and whether those qualifications exist in the first instance, but secondly whether it is possible to access them in a reasonable manner. Many post trade or post level 3 qualifications are only fee for service (Interviewee No. 3).*

The institutional support for lower level qualifications as opposed to advanced level qualifications points to a significant mismatch in the provision of education and training to the manufacturing sector in general and the automotive industry in particular. The constant retraining and up skilling of the workforce which has become a significant factor in the continued success of the motor vehicle manufacturing is not being adequately served by current arrangements. This has led to a strategy whereby the manufacturing sector:

*... use TAFE colleges for generic underpinning knowledge and theory, but they would share the view that there are real problems in terms of technology and the skill level of teaching staff. You can't replicate a production line in a TAFE college so there is really a substantial issue for manufacturers and TAFE colleges though all of them would use them quite substantially. For some manufacturers what they have done to overcome the problem is that they have become registered training organisations themselves and therefore deliver their own training in-house with their own people and still get a national qualification service (Interviewee No. 3).*

The data gathered from our case study firm the Excel Motor Company tends to add to this picture of disquiet with the current state of the VET sector and the need for manufacturing firms to provide their own framework for qualifications based on industry determined training packages and delivery through an in-house Registered Training Organisation (RTO). The rapid changes in technology needed to design and deliver cutting-edge products in a highly competitive globalised market requires an equally advanced set of skills for new and existing workers within the sector. The case study below illustrates how one firm within this highly competitive market has come to terms with the need to maintain a degree of competitive advantage by using qualifications which are delivered by a mixture of in-house and external providers.

## Enterprise context

The major focus of the output of the Excell manufacturing plants in Victoria is the Australian domestic market. Excell employs over 5,000 workers at its two plants. According to data collected through an Enterprise survey, of the 5,000 people employed by Excell Australia, 3,000 are employed as production workers, 800 as skilled tradespeople and the remainder 2,200 in administration and management. Excell Australia maintains a design capacity and actually develops vehicles for the Australian market and environment rather than just adapting overseas models as some of its local competitors do. Such a commitment requires a significant skill and knowledge base within the firm and a commitment to ongoing human capital formation.

Due to the size of its workforce Excell provides some forms of training for its workers through its own Registered Training Organisation (RTO). The use of an internal RTO gives the firm the capacity to train people on site to meet the specific and immediate needs of the organisation. This capacity to train workers by means of its own RTO does not preclude the opportunity for employees to access external training and further education. The firm sponsors or supports off site training and further education as means of gaining access to new ideas. Excell also accesses external providers because it would not be cost effective for the firm to attempt to provide the infrastructure necessary to provide a wide range of training and education opportunities. In this context Excell has been enthusiastic about gaining access to government training program through the New Apprenticeships scheme and Traineeships.

Excell provides a wide range of training opportunities for its employees, such as:

- in house informal training,
- in house accredited training,
- non accredited external training, and
- accredited external training.

The types of external training providers accessed by Excell include: Deakin and RMIT Universities, Northern Metropolitan TAFE, Gordon Institute (TAFE) and Kangan Batman TAFE. The firm does not make use of Group Training organisations, though it does access private RTOs. Excell's involvement in training has been motivated by a commitment to improvement and a view that skill formation is a crucial factor in determining success in the highly competitive automotive sector.

Excell's commitment to skill formation is indicated by the extent to which employees are engaged in training or further study. According to Excell at least 4,000 of its employees are engaged in some form of training or further study. As the qualification profile below illustrates the majority of Excell's employees have an industry or trade qualification:

**Table 1: Qualification Profile**

% of Degree/Diploma Holders	% Trade	% Industry Certificates
20%	10%	70%

Source: Enterprise profile, (Martino 2002)

Excell has the following qualification requirements in place for its workforce; at the shopfloor/operator level there are no formal qualification requirements, supervisors are usually promoted from the shopfloor and the minimum requirement is the Certificate II in Automotive Manufacturing formerly known as the VIC (Vehicle Industry Certificate). Most trade/technical employees also require a VIC qualification. Administrative workers within the firm require a

traineeship as an entry qualification requirement for new employees. At the management level a degree or higher (such as an MBA) is the entry qualification.

## Collecting the data

This case study draws on interviews with managers and executives of the Excell Motor Company Australia conducted in April – May 2002 at the Excell plant and via telephone with a senior manager at the national Excell headquarters. Interviewee No.1 has primary responsibility for the launch of new products, the achievement of quality and cost targets and the effectiveness of the stamping plant and power train production. Interviewee No.2 has the primary task of heading up the Human Resources branch of Excell and also acts as the main link with the head office. The third interview (with Interviewee No. 3) was conducted by telephone. Interviewee No. 3 heads a major automotive industry training organisation and has ongoing involvement in the development and delivery of industry determined training packages. Data for this case study was also collected through a company/enterprise profile, which was completed by a senior training executive within the Excell head office. Further data was collected through access to public sources via the Internet/World Wide Web and unpublished sources such as theses and in-house discussion papers.

## Excell issues

After analysing the data sources highlighted in the text above the research team has been able to identify the following themes or issues relating to the use and value placed on qualifications by the Excell Motor Company. The issues identified include:

- Widespread acceptance of the importance of utilising qualified employees, both within the technical and administrative/management sections of the firm;
- The Excell Production System (EPS) is dependent upon a skilled workforce which is engaged in “lean production” and has at its core self-managing units of production known as “Natural Work Groups” (NWG).
- The firm values industry specific qualifications and training.
- At the managerial level an initial qualification is regarded as a starting point and employees are expected to build on this.
- The competitive nature of the automotive industry has led to pressure on workers to upgrade their skills through internal and external study and training.
- Within the sector the use of the Victorian Industry Certificate (VIC) has facilitated the creation of an industry wide career structure.
- The emphasis on skill formation, further training and study, as well as the reliance on NWGs provide some evidence that the firm is evolving into a learning organisation.
- No link identified between qualifications and productivity.

One of the key themes to emerge in the interviews is the extent to which Excell values education and training and encourages its employees to participate in further study, or workplace training. As Interviewee No.2 pointed out:

*... We are involved in Cert II as far as training for our employees. We are also involved in Masters studies with the likes of Deakin for example. Basically Deakin do the course and curriculum but a lot of it is actually tailored to what we want, from a Excell point of view. So that takes us through things like Associate Diploma's, through to a Masters degree. Myself for example I am, as I mentioned before I am actually*

*completing my MBA and although it is through RMIT there is a very close link, I mean they actually come onto site (Interviewee No.2).*

The range and depth of qualifications recognised by Excell illustrates the extent to which the firm is eager to employ a range of people with a mix of skills and knowledge. Our informants indicate that the firm does not privilege a particular type of training or qualification. The type of people Excell recruits:

*...tends to vary. I mean at one point in time, and I am going back a few years our recruitment was very heavily focused on graduate engineers straight out of University. We then tended to lose a lot of what I've called "streetwise" knowledge. Where there are people out there with equal ability but really didn't have the opportunity, and hence the traineeships have just in the last couple of years have given those people a better opportunity and I think the organization has benefited because we have a mix. Some years it is 50/50, some years it is 60/40 either way but at least we are starting to get the mix right (Interviewee No.1).*

The importance of getting the right mix of skills and knowledge is crucial for the success of the Excell Production System and its core organisational unit, "Natural Work Groups". The Natural Work groups within Excell are:

*... responsible for the day-to-day operation of their business unit. Members of the team ... perform the necessary tasks to either make their product or provide their service. They ... (are) ... also involved in the decision making and problem solving needed for the efficient management of the unit, including issues of: quality, productivity, cost and safety. (Excell Undated: 2).*

The members of the Natural Work Groups are required to analyse the jobs they are doing and make decisions aimed at:

- improving all aspects of their work area
- Making the job easier and more efficient
- Solving problems which arise in the work area
- Influencing business outcomes
- Performing a critical analysis of their business role
- Highlighting deficiencies and successes
- Obtaining expert assistance when needed
- Improving training and skills (Excell, Undated p. 2)

The use of team-based strategies within the automotive industry has been commonplace since the advent of the Japanese process of "Lean Production" in the post-war years (Womack 1991). The widespread adoption of variations of lean production has meant that the training and qualifications workers bring to the firm have to be much more in tune with the demands of the process of production.

As one of our informants pointed out, the time when a person could enter the industry with little or no relevant training is fast disappearing. The motor vehicle industry is now seen to value:

*... the engineering/ managing type of qualification higher than or ... (are seen as having) ... more relevance than some other qualifications around. I mean the days are gone when you had a qualification as a pastry cook and you can go work in the car industry. ... In years gone by a qualification was a qualification where now it tends to be a bit more focused on the needs of the business (Interviewee No.1).*

*... Generally it gets to a point where your qualification is almost like a base line so, OK if we are looking to hire someone we look at what qualifications they have got and a lot of that is really based on the capability of the employee. A qualification is almost like a starting point you have the green light to progress and further*

*progression is really dependent on individual performance, which is internally assessed and rated (Interviewee No.2).*

As highlighted in the quotation above, whatever qualification or training a person has, at least for shopfloor workers their future within the firm will be determined by a combination of factors not the least their willingness to engage in further study and training both on and off-the-job. As noted earlier, this industry played a significant role in the evolution of the National Training Reform Agenda, with the implementation of formal training for 'non-trades' or production workers that were traditionally classified as 'unskilled'. The Vehicle Division of the Australian Manufacturing Workers Union (formerly the Vehicle Builders Union) has played a key role in negotiating Enterprise Bargaining Agreements which incorporate formal accredited training as part of recognised career structures. Hence there is quite a strong relationship between industrial awards and the opportunity, or need to possess or engage in training at Excell.

... For shopfloor workers training and qualifications are linked to industrial agreements and awards. Whatever qualifications or training they have determines pay rates. Really to take it beyond there they need to consider traineeships or apply for salaried jobs, which normally there is a requirement for them to take some further study anyway to make that transition (Interviewee No.2).

Success within the firm, progression up the ladder from hourly, to casual, to salaried employee is dependent on a range of factors, but specifically skills level, training and industry relevant qualifications are seen as crucial to any ongoing career within the firm, and the industry as a whole. As one employee pointed out:

*...I guess people now understand that it is a very competitive industry that we are in and also competitive within the various companies. Employee's who progress within the company need to have more formal qualifications so I think that is probably the driver behind it. You know just their ability to progress within the company (Interviewee No.2).*

To help facilitate the creation of a career structure within the automotive industry the Victorian Industry Certificate (VIC) was established as a mechanism through which the level of skill or knowledge possessed by employees: ... *is indexed to their pay increase* (Interviewee No. 1). The VIC, now the Certificate in Automotive Manufacturing, is described at Excell as a:

*...skills based point system that allows people to transfer between the different car manufacturers and take their qualifications or, skills with them. We had an experience prior to this where a person who had worked for a number of years with an organization (became skilled yet they didn't transfer their (skills) across industry. There was no recognition of their skills within the car industry. Now you can come into this organization as Level 4 ...(because)... you have the qualification rather than starting at a level 1, or whatever it might be increase (Interviewee No. 1).*

The emphasis placed on skill recognition and transportability through the advent and use of the national training system highlights the extent to which Excell has adopted a supportive approach to the acquisition of qualifications and enhanced skill levels of its employees. The value placed on maintaining skill levels and the growing use of the Natural Work Groups helps to paint a picture of Excell as an evolving learning organisation. As one informant pointed out, this is an ongoing process:

*...I think we are progressing towards it. I wouldn't put my hand on my heart, but I think the moves are there for it to be like that. I think that particularly within Excell Australia compared to Excell globally we are pretty small and we get recognised by our parent company for being flexible and innovative and so forth and coming out of that a lot of it is to do with the development of our employees and just the flexibilities that we can introduce. So from that perspective I would say that we are (a learning organisation) (Interviewee No.2).*

When asked what this meant in practical terms Interviewee No.2 went on to highlight the use of Natural Work Groups (within the context of the Excell Production System) as illustrative of the firm's characteristics as a learning organisation. Interviewee No.2 points out that:

*...Natural workgroups are a way of structuring which has been in place since the early 1990s and I guess they are the basis on which we run the whole Excell production system (EPS) which is similar to (our competitors) production system. It really helps us to develop better practice and ensure that we have got a very consistent and robust operation. However, to actually progress, ...well EPS is almost a criteria that we have got and there are various checkpoints and levels that we need to get to and here in Excell Australia we are leaders in that. Which really comes back to the fact that we started from the ground up and we have really got strong NWGs happening and really just the development of NWGs and the development of the NWG leaders to be pretty much self-contained. The best NWGs are self-directed in their development and learning to a certain extent so we are trying to carry out needs analysis of the NWG leaders ... so that we can actually develop them so they can run their areas (Interviewee No.2).*

Our informants identified the relationship between qualifications and productivity as a minor issue and as having tenuous links to each other. As one informant argued, there is only a vague link between qualifications and productivity:

*...(F)rom a shopfloor point of view for our employees there is a link between I guess qualifications and skill. So if you want to draw a comparison to productivity I guess there is a vague relationship there. However, I wouldn't say there was a relationship at least not a direct one or not one that we would really want to push as being the reason for why we are encouraging people to gain qualifications, so that people think this is why we are doing it to gain productivity (Interviewee No.2).*

A second informant argued that the possible basis for a link is in:

*...a better way of doing things. When I say a better way I mean when you look at things automation technology people with those skills or if they didn't have those skills of knowing how to program robots or knowing how to go and design an unload table a better way then I think we can get the benefits (Interviewee No.1).*

When informants were asked: "Are you then drawing on a much better educated workforce than perhaps say 50 years ago?" One Excell respondent replied

*...Without a doubt I think that is correct. I think that that is true in life in general. Computers control machines out there (in the plant), so if you don't know that, and you don't have the skills to go and know those programs or how to problem solve when we do have maintenance type issues, then it going to cost your productivity dearly (Interviewee No.1).*

When asked about the relationship between the size of Excell and effect and importance of qualifications our informants responded in the following manner:

*...I think it helps. As we up skill our workforce it really gives us more flexibility and also skills to do things a lot better and I guess with a quality perspective. Qualifications are ... as I said before when a person pursues further studies and everything it is recognised that they are developing themselves and is recognised as a strength (Interviewee No.2).*

And another commented:

*...I think that it certainly helps. The size, ... I am not sure whether being in a smaller organization.... I think it is a benefit...I think just the diversity of the organization gives it strength. Because we have so many experts in different fields that it gives people greater opportunity and our ability to transfer people across strengths, whether you are in an engine plant, or stamping plant or a casting plant, all require different skills and education. If someone is going on a career path through the organization there are number of those disciplines you need to have in order to run the business (Interviewee No.2).*

## Conclusion

As the body of this report highlights, Excell Australia is not unique in its positive attitude towards the usefulness of qualifications, and the need for further education and training in general. The highly competitive nature of the Australian motor vehicle manufacturing sector has meant that to survive a firm such as Excell has had to adapt to rapidly changing economic conditions. For Excell this has meant that a high level of flexibility and adaptability has been a key element in the conduct of its business. Innovations such as the Natural Work Groups within the Excell Production System and a commitment to ongoing education and training have helped Excell to contend with increased foreign and domestic competition. This is leading to the creation of a culture of learning within the firm; though as one respondent put it, the organisation is still not quite there.

On the other hand recent research conducted into the role of learning within Excell, (Hocking, 2000) identified Excell not as a learning organisation, but rather as a “teaching” organisation. As one respondent highlighted in the report put it:

*... ‘in the past we were chalk and talk. Today we are a teaching organisation. We would be 60% teaching and 40% learning. We would like to say that we are a learning organisation but we are not. The reason why we are not is because the process, the systems and culture of the organisation is not set up to support learning and recognise that individual’s learn differently’ (Hocking 2000 p.29).*

Even if the culture of the firm is not yet set up to “support learning”, or to recognise individual learning styles, as Hocking (2000) argues, the general acceptance of the value of utilising qualified employees, both on the shop floor and within the technical and administrative/management sections of the organisation points to the emergence of the basis upon which a culture of learning might be based.

As highlighted above, the competitive nature of the Australian automotive industry has meant that the pressure on workers to upgrade their skills through internal and external study and training will be an ongoing element within the firm, and the automotive industry in general. The importance of skill formation in maintaining a competitive edge, as well as the evolving complexity and significance of the Excell Production System will ensure that initial qualifications, coupled with further training and study will play a significant part in the success of Excell Australia.

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# Viticulture: North Star Wines

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Wine production as an activity has been undertaken in Australia since the early settlers arrived. Since the 1960's, commercial wine production has enjoyed steady growth, buoyed by strong local consumption, high quality products and growing recognition in overseas markets. The industry is as diverse in the styles and varieties of its products as it is in the organizations that feature: from small family boutique vintages to large corporate operations. North Star Wines has developed through commercial rationalizations in this industry. It is one of a number of medium to large businesses that have emerged over the past decade in response to potential rewards in the export market. Growth has brought with it a need for formalised training for all employees, which is a relatively new concept in this industry. At the time of interviews with North Star, accredited training pathways were still being constructed to meet industry needs. In these terms, the relationship between North Star and the national training system, which includes providers, is relatively new. The industry must also deal with emergent employee needs through union organization and representation, which have arisen as a result of growth and competition: quality, productivity and legislative pressures. The key contextual factors shaping North Star's approach appear to be:

- Developing export markets
- Changing trends in consumer behaviour
- Requirements for quality assurance
- The role of unions and Enterprise Bargaining

## A perspective from the wine industry

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## Introduction

Wine production as an activity has been undertaken in Australia since the early settlers arrived. Since the 1960's, commercial wine production has enjoyed steady growth, buoyed by strong local consumption, high quality products and growing recognition in overseas markets. The industry is as diverse in the styles and varieties of its products as it is in the organizations that feature, from small family boutique vintages to large corporate operations. North Star Wines has developed through commercial rationalizations in this industry. It is one of a number of medium to large businesses that have emerged over the past decade in response to potential rewards in the export market. Growth has brought with it a need for formalised training for all employees, which is a relatively new concept in this industry. At the time of interviews with North Star, accredited training pathways were still being constructed to meet industry needs. In these terms, the relationship between North Star and the National Training Framework, is relatively new. The industry must also deal with emergent employee needs through union organization and representation, which have arisen as a result of growth and competition: quality, productivity and legislative pressures.

North Star is a vital and expanding company which has brought together under one company structure a large number of small and medium sized businesses in the wine industry. The company has its head office in Adelaide and covers operations in Western Australia, South Australia, Victoria and New South Wales. The core business is the growing of grapes, and the production and marketing of a wide range of wines for the national and international markets. There are 32 vineyard sites and 650 employees with 250 as casuals. Training of casuals occurs, especially in pruning and vine training; training starts day one.' (HR Manager).

The case study focused on one of the operating businesses in the Barossa Valley in South Australia producing and bottling a range of qualities of wine. There are five employees; three males and two females. Two of the employees were Australian born whilst three were British. The youngest was in the 26-35 age group, three were in the 36-45 age bracket whilst the 'elder' was in the 46-55 age profile.

This section of the business incorporates a bottling factory and a number of vineyards contributing grapes for the production of wine. Therefore there is a cross section of medium and small sized operations under the one site banner.

## Objectives

The objectives of the company are to:

- Maximise shareholder value
- Consistently exceed consumer expectations with wine quality
- Be a reliable and preferred supplier – the entire chain must profit
- Be focussed and strategic – think long term – achieve results – celebrate success
- Constantly improve wine and packaging quality
- Create a working environment that excites people and invites them to excel
- Be flexible and innovative
- Act professionally, with honesty and integrity – earn respect
- Develop a culture which combines the best of family values and corporate strength

(Company Objectives Statement, 2002)

A representative of the 'peak body' was also interviewed. Winetac was formed ten years ago. It is advised and resourced by industry. It is funded by the Corporate Research Centre for Viticulture and ANTA. It conducts research, professional development and training programs and developed the training package.

## Training

### Levels of training conducted

The Food Processing (Wine) Training Package forms the basis for training in the company, for Certificates 1 to 3. Levels 4 and 5 are being considered currently by Winetac, the industry peak body. Consultations are being carried out. Levels 4 and 5 in the majority of Training Packages address management and leadership skills. Leadership, occupational health and safety and human resources training are also conducted. The Frontline Management Initiative Program is used for the leadership training. Internal North Star wine courses are carried out.

The organisation is committed to training for the roles and functions required for successful operations.

*From the employer's perspective you get the person being able to do the job which at the end of the day is what you want.* (HR Manager)

## Types of training

Workers are organised in areas of speciality for the functions of the organisation, for example, bottling, labelling, packing and cellar door.

Training is conducted both on site and at local RTOs and TAFE institutes. The preference is for training delivered on site. Accredited training is preferred and valued: 'Accredited is always better in that the standard is there.' (Training and Development Coordinator). This is provided by a range of external providers, mostly TAFE institutes which deliver the Certificates 1 – 3 Food Processing (Wine) and leadership training, for example the Frontline Management Initiative Program.

Most training is work based, using mentors and assessors on the production lines. The union representative on the Training Committee felt that one-on-one training is better, with mentoring on the line.

Reference was made to theory tending to be addressed in TAFE classes and programs with the practical tending to be on the line. There was an interest in blending these together, particularly through the training Package.

*The balance of theory and on the job is important. CBT is bringing practice and theory together.* (HR Manager)

The company has chosen to not register as an RTO. 'It's not our core business. We don't want the internal bureaucracy and QA processes.' (HR Manager). A strong requirement for training for the company is that it be flexible to meet their needs.

## Incentives for employee participation in training

'There are no barriers to accessing training.' (HR Manager) Employees have access to a range of training programs, training is strongly supported by the company. It is part of the enterprise bargain agreement. Pay rates are based around the Certificates. There is a link between role, training and pay scale.

*If full time, the employee is trained to Certificate 3; casuals tend to do the introductory training and AQF 1.* (HR Manager)

The financial benefits resulting from the linkage between work classification, pay scale and training were recognised as providing a tangible incentive for training although other benefits were acknowledged.

'Remuneration is intimately linked to training. The more you train, the higher you get, the more pay you get. This motivates most people. There is also job satisfaction. (Union Representative on Training Committee)

*We tend to think of training as a separate issue, but it's not. You need training supported by the budget. (Interviewee, Winetac, referring to a study she has conducted, interviewing a cross section of businesses in the industry) ... People who embraced training had a more strategic focus towards their business and integrated training into the business.*

## Relevance to accredited training

The Certificates 1 – 3 are viewed as a way of getting more money, but knowledge and satisfaction gained were also referred to. One interviewee (Winetac) reported that employees after training seemed to have their eyes opened, that they see more in the vineyard than they saw before. Confidence and morale are boosted.

The portability of qualifications was recognised. The Union representative on the Training Committee noted,

*It means that if they leave they can go to any other winery and can have the same pay – recognised for that training, don't have to go back to start again. ... It provides some portability for the employee, a certain standard of training.* (HR Manager)

## Value of qualifications to employees

At North Star respondents recognised the value of qualifications to employees.

*Employees value the training they get, mainly being motivated by money; the higher the qualifications, the higher the pay, job security and with more qualifications, the more likely to stay in the job.* (Union Representative on the Training Committee)

*Skills get recognised for other employment ... There is a sense of worth ... With the Training Package employees are given some worth to what they do, recognition of talents.* (Training and Development Coordinator)

*The most relevant is the Certificate 3 in Food Processing (Wine). The company provides what is needed, viticulture, cellar door, wholesale. The company has a concept of grape to glass – we do every phase of training, grower, processor, value add, market, retailer.* (Human Resources Manager)

*They see the benefit of it.* (HR Manager)

Benefits to employers were also identified.

*Employers value the Certificates 1 – 3 in Wine. We have a mix of in house and external training and we are keen to have site specific training recognised.* (Wintac representative)

## Union involvement in training and influence on training programs

*There are EBAs for all sites with commitments to provide training to certificate levels.* (HR Manager)

*There is reclassification upon achievement of skills with the goal of Certificate 3 for employees. ... We are ensuring that occurs.* (Training and Development Officer)

The unions are involved in negotiating training as part of enterprise agreements and through committees. The influence on training is perceived as positive.

People moving between areas of work are multidisciplined and the Training Package had to accommodate this. There were a number of ITBs dealing with the business to an extent and it was critical to establish a Training Package which integrated the industry. Union influence was also an impetus for the establishment of WINETAC.

## Government subsidy

The company reported that the government subsidy was not used. There is a strong commitment to training. 'It is costing us a fortune.' (HR Manager)

There was a range of responses in relation on this issue. It was recognised that funding allows more to be done, as a large organisation there was recognition of the need for training.

*Training, to do the job and safety and morale – it occurs anyway.* (HR Manager)

Traineeships were utilised for the metal trades, but as employees are taken on as casuals who then become 'semi casuals' and then regular employees over time, it does not work out to take someone on as a trainee. People are employed for example for ten months of the year and by the season. Two traineeships have been established interstate in a vineyard in the past twelve months as the company considers the future models of training to be utilised. One interviewee suggested that training outside of the company should be subsidised.

From the industry peak body comes a different perspective, that the industry 'massively' uses traineeships. When the Training Package came out in 1999 the state Government 'massively' supported the Traineeships. The scope of this study did not allow for this claim to be further investigated.

## The VET system and current training needs

Responses as to whether the VET system meets current training needs were varied. There was recognition of achievements but also comment on areas for improvement.

*It is a smooth process for the pay.* (Winetac)

*To some degree.* (Packaging Manager)

*Yes and no – we'll get our own people the national recognition.* (HR Manager)

*Yes, but it needs to be expanded on. ... We need to go to AQF4.* (Union representative on Training Committee)

*It's getting better; it's an evolutionary, not a revolutionary change. We had issues with quality and with TAFE and RTOs, the way TAFE recruit and engage lecturing staff is not flash; could be better for example in getting lecturers back into industry; the notion of short term contracts doesn't give stability, therefore there are not the best people.* (HR Manager)

## Meeting training priorities with accredited training

Significant training priorities are met through TAFE. Managers and coordinators are generally required to have frontline management credentials.

*If there was no training package, we would still train our people. The training Package ensures consistency and maintaining standards and giving recognition of employee achievement; training has always been a priority.* (Training and Development Coordinator)

Processes for Recognition of Current Competence (RCC) are also utilised to address training/recognition priorities.

## Rating provision of accredited training

Accredited training provided in the industry sector was rated as being very good by one interviewee, 'a lot better than it used to be.' (Union representative on Training Committee) She went on to say that in the past they didn't know from one week to the next if training was appropriate or not, 'moving the goalposts; it was in-house mainly. We didn't go to TAFE 'til the last few years.' Access to TAFE training was valued and needed to be expanded.

TAFE was criticised by another interviewee in that there was a perception that

*There is a reluctance to break away from the curriculum because lecturers were there for ten years and want to teach that way. New people are better.* (Training and Development Coordinator)

One interviewee took a more cynical view in response to this question. There was a pause for laughter and then the comment that accredited training is very inconsistent, that Training Providers have too much say in the certificates themselves, that training is set around units of competency and it is hard to get training for a specific unit.

An important issue identified is the need to integrate theory and practical work, for example learning how to operate a particular machine. It was argued that the theory could be done at the same time and hence there should be a focus upon and greater appreciation of on-the-job learning.

RTOs are perceived as missing out on business opportunities through the lack of appreciation of the business context and the realities of the workplace. It was argued that there should be a 'business focus,' not a 'crisis focus' and that providers need to work through with employers what the employers needs are. There is frustration because the industry is so isolated.

## Demand for flexibility

Flexibility was referred to by all interviewees as a critical element in what they wanted in training. The flexibility envisaged by the employer has the trainers come to the employer, linking national standards to the workplace and to deliver more 'snapshot stuff' – shorter, intensive and on-the-spot learning to address immediate needs and issues. 'We need to have more confidence in consistency and quality of RTOs.' (Winetac) It was stressed that training providers need to listen to the employers' needs and then develop individual training plans and incorporate the work of the site into training.

## The influence of the Training Package

Comments on the impact of the Training Package reflected perspectives from the individual business, North Star; and from the industry as a whole.

### The Training Package & the business:

In the view of the HR Manager, the Training Package has made training more structured. It could be put out in an easier to read form. It is perceived as providing pathways, recognition of skill and flexibility of training. Others shared this view.

*There are some advantages to the package; it directs you down a path, gives you support. Working in guidelines is handy, but transportability has never been realised.* (Packaging Manager)

*Each time the Training Package is reviewed it gets better.* (Packaging Manager)

*Definitely, quite positively – puts structure there, gives a benefit.* (Training and Development Coordinator)

Despite the improvements and achievements, there are still significant challenges to be addressed.

*Literacy is a problem for a few workers. The ones here for a longer period were not too impressed; the later arrivals are keen ...questions are asked, [they've] got to do it themselves ...an assessor is assigned. The assessor is always there for consultation on the same shift. They're pointed in the direction to get answers, write it down ... (they) have to answer questions and demonstrate skill, (the assessors) have to be convinced they have the skill, the assessments go to the Manager and are entered on the file.* (Union representative on the Training Committee)

The formalisation and implementation of such processes creates anxieties, tensions and some points of resistance. Acceptance takes time, perseverance and hard work.

## The Training Package & the industry:

Respondents reported that the Training package has had an impact across the industry. 'Definitely; very significant uptake; the big guys have taken it up.' Smaller businesses, however have found it more difficult. (Winetac) The Training Package has taken training more to the workplace and met more of its needs. Where the Training Package addresses compliance issues it is also a quality parameter, especially for export, marketing plans and HACCP.

*It's very positive for the industry overall to have a uniform system – the training skills are together.*  
(Packaging Manager)

*Yes, qualifications are listed in ads; we can recruit people with qualifications.* (Training and Development Coordinator)

This informant went on to add that employment in the industry is characterised by a large percentage of casual workers, which means employers are employing and later training large numbers of unskilled workers. This is a model they are still locked into at this stage.

*Yes; it (the Training Package) was really developed to accommodate all size industries, for example, cellar operations.*

## The VET system responding to needs

The example of 'tank waxing' was used as an illustration of the industry's specific training needs. In the previous CBT programs in cellar operations, here was a module on tank waxing. This wasn't required for the company's work, but had to be done as part of the course. With the Training Packages, they now don't have to do tank waxing.

*There is a realisation that our industry is difficult to deliver training to; it is difficult to get a critical mass. It is geographically dispersed. It is hard for an RTO to get enough people to run a class.* (HR Manager)

*Quality and access are two issues.* (HR Manager)

Respondents suggested that the VET system needs,

*to find out more from the end users, be more responsive, talk to industry more, ...have more flexible short courses from RTOs. It comes down to dollars all the time. Personally, there is a gap between State Training Authorities and real industries. We need professional development workshops for RTOs.* (Winetac)

*We've got to look at competencies and what they mean to the company...what's the outcome we want and they have to work towards that.* (Packaging Manager)

A related issue concerned the costs associated with gaining recognition for competencies developed on-the-job and through workplace experience.

*Cost is a problem. RCC costs a lot; \$8000 for actual training up to Cert 3. An example the company had was of five warehousing people Cert 1 – 3 by RCC, cost more than \$10,000, no upskilling at all, no training. It cost \$10,000 to give people a bit of paper...(that) doesn't encourage employers. There needs to be a 'Winetac' certificate to show skill achieved and no cost. The current system seems to bolster RTOs.*  
(Training and Development Coordinator)

## Recognition of other qualifications

The evidence from this case study is that employer's recognition of qualifications is strictly and obviously related to the job being done. If documented training and certificates are provided and relevant to the job being done, then recognition is given. An example referred to was trade qualifications, 'a fitter and turner we use RCC for the core for recognition.' (Training and

Development Coordinator) It was acknowledged that aspects directly applicable to the work could be recognised, could utilise aspects and credit could also be given towards food processing.

*... It's got to be related to the job. (HR Manager)*

*... We do have some RCC, for example tradesmen come in and get a few points, for example, handling power tools. There's not a lot of return to the company. Packaging people work in one spot generally. (Packaging Manager)*

Another respondent noted,

*FMI is ok and is used...it could be recognised for levels 4 and 5...technical skills done elsewhere could be recognised.' There are six streams to choose from; there is no longer a Certificate 1 in viticulture (which is still perceived as listed by some RTOs), but again some employers want a blend of skills, there can be an enhancement of work by learning from other areas; multiskilling is critical for some organisations. (Wintac)*

## Is the organisation a learning organisation?

This question evinced a range of responses indicating uncertainty as to what a learning organisation is or might be. Commitment to training was seen as one indication of being a learning organisation. Commenting on the industry as a whole a Winetac respondent noted,

*My perception is that the bulk aren't (learning organisations) – the basic approach is too mechanistic. (Winetac)*

The interviewee went on to describe organisations with strategic links, where training is a part of everything as better examples of learning organisations. Other respondents from North Star felt the company could establish some claim to moving toward becoming a learning organisation.

*I guess so, the organisation has devoted significant resources to training. (Packaging Manager)*

*People who come here learn; people need to produce wine, it's developing, wine is changing quickly. (Training and Development Coordinator)*

*In the main yes. There is a culture of recognition training provides benefits. It's a bit pocketty, dependent on the manager on the site and there are different commitments to training. (HR Manager)*

*I think so, they've never stopped anyone learning. (Union Representative on Training Committee)*

However this union informant also went on to say that she wanted to do computer skills at TAFE as part of her career pathway plans, and to date this hasn't been supported.

## Links between qualifications and productivity

Discussions on the perceived links between productivity and qualifications all referred to the lack of any concrete research or evidence to establish a linkage.

*There's no formal link. We've not tried to measure this. ... There is a need for 'acceptance that a trained qualified worker would be better in terms of productivity and output. (HR Manager)*

*I think so, the more you train people, the better they can run the machinery; training helps do the job better, safer too. (Union Representative on the Training Committee)*

*I would like to think so, but we don't measure this. The Frontline Managers would say yes. (Training and Development Coordinator)*

It was interesting to note how the discussion during research interviews prompted respondents thinking on this issue. One manager responded 'Probably not...' then after some discussion and further thinking, he revised his stance to 'Definitely [there is a perceived benefit in productivity].' Another respondent initially replied,



'No'...(but then added) ... *'training appears to benefit productivity...Yes...when thought through – it's linked to so many other things; people are more confident.* (Winetac)

A Human Resources Manager commented that there were no directly perceived benefits of training for employees although there may be some benefits from management training, 'Nil – (although) possibly at management level.' A Training and Development Coordinator commented,

*None perceived – even though I feel there is.*

The nature and size of the business and the impact/importance of qualifications

Several comments reflected the perception that the formal structures and provisions of the National Training Framework were perhaps more relevant and useful to larger employers.

*Qualifications are important. Bigger and middle sized places are set up to do training for qualifications. The smaller you get the more difficult. (Winetac)*

(It) Probably does (suit) being larger; we need a uniform system so people can get pay rises which means people with good skills and poor literacy struggle. (Packaging Manager)

*We are a big organisation; this is a very big site. ... the Training Package has been introduced recently, therefore a large number of people to have assessed which is costly. For a small cellar with three people it is probably easier.* (Training and Development Coordinator)

*Training, getting a qualification in a larger company is more likely to occur; in smaller wine companies the uptake is less. We can't discount the benefit of having a trained employee and ability to contribute to the organisation. (HR Manager)*

The qualification was seen as important by the Union representative on the Training Committee, who also recognised that a ‘bigger place can afford it; smaller places might struggle.’

### Factors involved in selection of an external provider

Respondents identified a number of factors influencing the choice of external training providers by employers.

*It's who is going to provide the better training. Quality and locality, not so much price – although it's a factor, they won't pay through the nose.* (Union representative on Training Committee)

*They need to know the discipline and flexibility in approach to deliver training; QA has to be good and assessment rigorous and solid.* (Winetac)

*'Quality, price ...reputation doesn't mean much to me, there are so many now....quality is generally very good. In the wine industry we are tied in with TAFE; we use TAFE because we are covering so many areas.'*

What was important to this interviewee was personal contact and communication, that the training organisation listened to needs and was responsive to the organisation. ‘

*Therefore it's the personal service...I don't like salesmen, I like someone I can talk to, who doesn't tell me they're saving the world. They'll listen and go away and come back with a good program and will actually impact on the people. Change I'm looking for - so it becomes automatic.* (Training and Development Coordinator)

*Relevance is a big issue and availability....with TAFE responsiveness is a big issue – they're not.*  
(Packaging Manager)

*I advise them to apply the same criteria to them (the external providers) as for any part of their business.*  
(Winetac)

The personal touch, effective communication, skilled listening, designing a workplace site specific training program with flexibility, delivery taking into account the wine industry seasonal activities, up to date and industry aware trainers and programs were desired by those interviewed.

## Other factors affecting involvement in accredited training

Flexibility was raised by most interviewees as a priority.

*Flexibility is needed in relation to the vintage; can't go to TAFE during vintage. Some providers have tried to timetable around it and it is at varying times and you can't go to class during vintage. (Winetac)*

The company wanted a specialised program to meet their perceived needs as flexibly as possible.

It was suggested that theory and practice need to be blended together in work based training. Courses and training need to be tailored to suit the needs of the specific workplace/organisation.

*Some of the bureaucracy frightens people away. If a provider could come and be a virtual one stop shop it's a lot better; most managers don't have time to be involved in a lot of detail. (HR Manager)*

*The company certainly provides opportunities for training and development.*

*We conduct an annual skills analysis for each department, work out where the shortfalls are, work out where you need more people, training needs are worked out. We sit down with the people and see where they're at and what their needs are. (Training and Development Coordinator)*

## Future training developments

'Is there life after AQF 3?' The Union Representative on the Training Committee prompted this question. The company trains workers in certificates 1 to 3 and provides leadership and some specialist programs after this. Levels 4 and 5 are being discussed currently. Training is therefore in a sequential, hierarchical framework tied in with promotion and pay scales.

Multiskilling is possible, specialisation on difficult machines is possible. The company and the industry seem to have reached a stage where the model of training needs to be reviewed and the underpinning concepts examined for relevance. In a downsizing industry, what training is relevant for the future?

'Every one can train, every body is encouraged to train.' (Union Representative on Training Committee) However, after one becomes a top worker for the company in wine, where does one go to next?

At North Star Wines commitment to training and the recognition of skills has become a routine part of the company's operations and its culture. Through enterprise agreements and engagement with the National Training Framework links have been established between wages, career pathways and formal credentials. The basic institutional framework for training is in place. However questions remain about the perceived value of training to the enterprise and how training in the future may contribute both to the company's continuing development and to the development of life and career opportunities for individuals.

# Biggs Power Company

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Biggs Power Company extracts brown coal from open cut mines and produces electricity. It was formerly a state owned electricity utility, which was disaggregated and sold to private interests in the 1990s. Biggs Power's parent company conducts similar commercial activities internationally. The coal extraction operation fuels power generation facilities nearby. The power is primarily for state consumption. However there are links to the national power grid. Biggs Power is based in a rural region; its former structure having been the major economic resource for an entire community for at least two generations. The region has experienced massive restructuring, downsizing and rationalization over the past decade. The coal industry itself faces growing national and international pressures from environmental lobbyists, as it is alleged that the activity is a major contributor to global air pollution. Employees of Biggs Power have a history of union organization and participation. Negotiated Enterprise Agreements, incorporate links between accredited training and wages. This influences the way the company views accredited training. The key contextual factors shaping Biggs Power's approach to training and qualifications appear to be:

- Regional restructuring
- Changes in ownership as a result of privatisation and globalisation
- Changing attitudes towards coal fired power generation and its effect on the environment
- The role of unions and Enterprise Bargaining.

## A perspective from the power industry

Prepared by Dr Marg Malloch

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## Introduction

The chimney stacks rise majestically above the rolling green hills: the black and white cows are left behind, replaced by the ribbons of steam rising to dominate the sky line. The power industry, once a major employer, now employs hundreds rather than thousands, and with constant advances in technology, could employ even fewer people. Biggs Power is classified as a medium sized business. The power production industry in Victoria consists of two key components, the open cut mining of brown coal and the utilisation of this to produce steam to generate electricity for the state.

## Organisation profile

The case study is of a power generating company, with two hundred and forty employees linked with an open cut coal mine which provides the fuel for the generation of electricity. There are 548 employees altogether. A corporate 'overarching' sector has 80 to 100 staff. There is an annual turnover of over 15 million dollars from a national market. The mode of employment is a combination of permanent and contract. The annual budget is reported as being 50 million

dollars, with a 600 million dollars revenue stream. The organisation operates 365 days a year, 24 hours a day, setting standards for Australia and is in the top 5% in the world.

The training function goes across the organisation with an active training committee for the power station. The organisation is aiming for a more consultative process. Training is conducted both on site, especially for operational training and off site. Training off site is supported and contracted, particularly for technical training. In house informal training, in house accredited training and training provided by an external provider are utilised. External providers utilised are the local TAFE and private RTOs. The company is not a Registered Training Organisation, the cost and resourcing of administration being perceived drawbacks.

For the Mine the key training program is the Certificate in Open Cut Mining (Brown Coal). This was developed in the early 1990s with extensive organisational support and staff input. Certificates I – III are delivered at the Mine. Certificate IV which focuses on supervisor level training is being implemented at a neighbouring mine. The main training programs for the power station focuses on plant operation skills. Every 12 months, staff are scheduled for in house refresher training on the control simulator located at the station.

Key challenges are the ability to release people for training without incurring overtime payment problems and to meet the due diligence requirements. Due diligence legislative requirements establish the need to have a competent workforce.

*Yes, in some particular areas, for example areas of statutory need. We can't afford to have unqualified people ... We need skilled people for specific jobs.* (General Manager)

The organisation would prefer to have the due diligence requirements made more specific, rather than as a very general goal.

The organisation does not access government funds to support training. Between 1% and 3% of the operating budget is allocated to training. The key reasons to engage in training are the meeting of legislative requirements, technical skills training and organisational developments. Consultancy services are used for specialist subject matter.

The organisation covers both power generation and open cut mining. The range of people interviewed included the General Manager, the Human Resources Manager, The Mine Production Manager, the Executive Director for the Victorian Minerals and Energy Council, the Training Coordinator Health and Safety, the Power Station General Manager, the Human Resources Manager for Safety and a Team Leader, who is a member of the Training Group.

The interviewees' qualifications include: Train the Trainer certificate; a mechanical engineering diploma and double degree in management and engineering; boiler and turbine and electrical tickets; a Bachelor of Arts majoring in Psychology and Business; a diploma in accounting and degree in engineering; a trade certificate, a 'sort of diploma' and some other certificates; diploma in mechanical engineering and diploma of education; and a range of professional development programs; an advanced certificate in Mechanical Engineering; a diploma in public relations and executive business management; and a degree in engineering. It is fair to say that the informants for this case study had some personal experience of formal training and qualifications.

Generally the older and more highly placed personnel had fewer qualifications. The majority of the interviewees were aged between 36 and 45 years of age; the remainder between 46 and 55 years of age. All were born in Australia except for one born in the United Kingdom. All interviewees were male. The majority of the workforce is male.

The company has a training committee. It does not conduct training audits.

There are four shop floor, two trades/technical, one administration and one management positions involved in the provision of training and administration. There is an Enterprise Bargaining Agreement in place, which addresses training. Of the Biggs employees, 20% have

degrees or diplomas, 20% possess trade qualifications, 10% have information technology qualifications, about 30% have industry certificates and 10 % have other qualifications. New employees are expected to have a trade/technical and/or management qualifications.

From the interviews, a snapshot of the company and its training agenda was gained.

## Levels of accredited training

There is a mixture of training provided, some national, some designed locally. There are national competency standards utilised, for example, boiler and turbine testing. The company has three registered assessors trained through TAFE. They also use outside assessors from time to time. There is training from certificates 1 – 4; programs for crane, rigging and four wheel drive operations and the certificate for open cut mining levels 2 and 3 which is optional. Occupational Health and safety training is a high priority. There is training in the use of breathing apparatus and first aid.

The interviews provided opportunities for people to express their impressions and so variations in opinion are evident in the responses. Each person talks of their own perceptions and opinions. In the view of the Mine Production Manager, for instance, there is very little formal accredited training. Nevertheless, the study identified examples including crane driving, rigging, four wheel drive training and the Certificate in Open Cut Mining, levels 2 and 3.

## Preferred type of training

All external training providers have to be accredited. The Mine Production Manager doesn't have a preferred type of training. He pointed out the natural difficulties with a shift work environment, with any form of training. The CEO of the Mining Industry peak body stressed the importance on on-the-job learning.

*Training at operator level is primarily on the job, site by site based. (CEO, Peak body)*

Others commented,

*It's a bit of a mixed bag ...[with] bit of a leaning to Monash Mt Eliza, Monash Gippsland. (HR Manager – Safety).*

Others stressed the need for training to be

*Practical rather than theoretical, and on site. (Team Leader)*

More than one interviewee reported that there were some literacy problems. Low literacy and numeracy skills were identified as an issue. Consequently there is a dislike of training with an emphasis on written materials and reading as a learning strategy.

The local TAFE provider is used in house, for technical support programs. The National Mine Training Centre also runs training on site. It is practically based training.

There is a preference for practical site based training, particularly for workers in operational areas.

*Most of the sub professional people learn best from hands on experience and professional people are trained to be self taught, through literature and manuals. The hardest thing is to take theory from a TAFE course and fit it with the workers. (General Manager Power)*

## Incentives to employees to take part in training

Several interviewees commented on the significance of incentives for employees.

*We give a day a week to train and wages for a day for a select group. We have a number of professional people doing MBAs and dual certificates. We pay the fees if they pass all the subjects. In their own time. We give time off for exams. (General Manager Power)*

It is compulsory to do occupational health and safety training and there is a career path linked with training.

*...all that's union and EB driven. People might get overtime, or time in lieu; training during work hours. (Team Leader)*

*Training is provided for as many people as possible; part of our multiskilling strategy and career stream for reaching new career levels. (HR Manager Safety)*

*Where possible accredited training is run. The fees are paid if people pass. (HR Manager)*

The Mine Production Manager commented that there are so many different work groups that training needs and responses need to vary. For example, he cited electricians with three levels of pay increments; technical support providers, with a certificate of technology; and fitters and mine operators, with no incentive for outside training. He commented that,

*The Certificate in Open Cut Mining is optional. About six have finished it and about fifty out of 120 have done units, so the take up of the Certificate is not high. Portability is not a huge selling point. Another employer would want their own competencies. There are aspects of the National Certificate we don't require for example, dozers and scrapers. ... There are a few [employees] down to do dogman and crane chaser. This is for their jobs. ... Literacy and numeracy are a problem.*

The General Manager: Power commented,

*Accredited training is the way to go ... It's a duty of care to prove people are competent in what they do. Internal training has assessment people must pass. It would show in any situation where it went wrong. One issue with Longford [the gas explosion disaster] was people were trained up – but there was no real assessment.*

## Relevance and value of accredited training to employees

The General Manager was not alone in valuing accredited training with rigorous competency based assessment. A Team Leader commented that accredited training is valued Australia wide. Others, including the Training coordinator for Health and Safety also commented,

*Employees want accredited training and transferability. First aid, beginning apprenticeships are all transferable. We try to make most training transferable. (Training Coordinator, Health and Safety)*

*For bread and butter now – on the job skills are required for promotion. Senior staff do supervisory training. (Mine Production Manager)*

*Common assessments and CBT were introduced ... five years ago people were negative at first. The company supported it, it sets minimum standards. There is a risk with deregulation in that businesses need to maintain standards. (General Manager Power)*

*You need to set standards and burdle rates; it's challenging. You need real assessment. (General Manager Power)*

The organization has a range of qualifications, degrees, dual qualifications, double degrees. A number of graduates are being taken on now with engineering and business qualifications. There is considerable evidence that graduate level qualifications are valued. However the company have not taken on any trades qualified people for six years. There are seven apprentices (with a local Group Training company) and the maintenance contractor has six apprentices. The previous (State owned) power supply commission used to do apprenticeship training for the whole of Victoria. Now a lot of casual contractors are used. The General Manager commented,

*I'm not sure that we're training up enough new people to replace aging population. We are doing planning on this soon. We are only recruiting professionals. We have a scholarship program with two engineering and one business / IT graduate per year. (General Manager)*

The interviews revealed that workers do see value in certification, in getting the piece of paper. The organisation also contributed a huge amount of time, expertise and support in the development of the Certificate of Mining in the 1990s. This and a range of other programs are now used for training. The spokesperson from the industry peak body noted,

*There is acceptance, but it is not strong. (CEO Peak Body)*

On the other hand, some employees noted,

*We have to have it. Boiler ticket, Level 1 First Aid is compulsory. Accredited training is valued Australia wide. (Team Leader)*

*Training is in the EB, especially for the power station. There are not modules out there in the operations field, so we want to have those developed. (HR Manager)*

*Employees value things that are practical in their own life as well, for example if they get sent off to do a welding course. (Team Leader)*

*They've asked for level 2 First Aid training and breathing apparatus in the power station. In the mine it is more difficult because people can't be released as easily. (HR Manager)*

*Those getting into the program do so because of the qualifications. (CEO Peak Body)*

*We do value transferable qualifications ...but there's not a lot of movement. (Training Coordinator, Health and Safety)*

The National Mine Training Centre looks after the modules for Certificates I to IV of the Mining Course. People at the mine assisted in the development of the certificates, writing, consulting and trialing of the course. However at least one interviewee noted that the power station operations were not addressed in the same manner as the mining operations. He argued that 'it would be ideal' if assistance for power station training was available 'similar to the National Mining Certificate'.

## Union involvement in negotiating training

On this site, as at Excell Motor Company, unions played a significant role in the development of training. There are different agreements for different sectors of the workforce.

*When both the unions and management are on board, you get somewhere. (Team Leader)*

*The unions were involved right from the start, in setting standards and in the development of training materials, and now support it. It was a battle to get them involved at the start. (CEO Peak body)*

*There is an Enterprise Bargaining Agreement, with group based negotiations, for example the production workshops are doing Associate Diplomas. They continue to negotiate what they'll do. There is a four to six year plan. (Training Coordinator, Health and Safety).*

*Yes, [the union is involved] in the power station through the operations training committee and in the mine, no committee. The Mine EB covers training; you can take an employee off a dredge for two hours without a significant reduction. (HR Manager)*

*We also have a Training Committee with three members of the operating group and HR group. It has to approve all training to ensure training is valuable to the group. It's a socialistic attitude. (Team Leader)*

## Influence of union involvement on training programs

Union involvement in training extends beyond the initial negotiation of training programs. There is input into how the training will take place, how it is managed so as not to unduly affect work

loads and productivity, and how training relates to pay outcomes. Training is part of the EBA for the power station workers, including electrical and mechanical tradespeople.

*Union involvement means that there needs to be enough people to cover each post to release others for training. It is all through negotiation with management and unions. (Team Leader)*

*To a limited extent, the unions are involved, for trades, technician training and also in competency certificates and testing at a local level. It is hard for them to keep up with all the changes in CBT etc. (General Manager)*

*They are working in a traditional paradigm of removal from the plant to the training room. Induction has moved to competency based, with a self test. There is some flexibility through the EB with the mine, on machines and for non core training, for example, fire, occupational health and safety. If core for example, permit training, dredger driver refresher courses – because of problems with union protection of overtime. The certificate IV Mining is seen as useful and so they are keen to do this, some of them. In Queensland this is entry level to some mines. (HR Manager Safety)*

Several interviewees commented on the need to get the synchronicity right between training and business and personal-employee outcomes.

*Pay outcomes are matched to the training achieved with payment only after the skill is reached. (General Manager Power)*

*The business views the Certificate IV as important for competency, relevance and safety. (HR Manager Safety)*

*Changing streams needs to be within the scope, within business needs. (Training Coordinator, Health and Safety).*

*You need the philosophy of the organisation to be right. Need the right internal organisation to get the vision right. (Team Leader)*

## Utilisation of government subsidies

Another point of interest for the study was the utilisation and perceived value of government subsidies and incentives for training. Interviewees were invited to comment on the importance and value of government support.

*It [government funding] facilitates us being involved but it's not a driver. It has been very, very useful especially in setting up the certificate. (Production Manager)*

*It makes it more attractive. Trade training is mainly conducted through [local] Group Training Company. We are probably going to have a glaring gap of trade labour in the Valley. (HR Manager Safety)*

*I don't think the industry fully appreciates those incentives. Training Providers do; or if the industry do, they don't see it as important as other issues – time off, availability, real value of training (HR Manager Safety).*

Comments from other managers reflected their consciousness of the perceived costs of training and the potential for government funds to off-set some costs, as well as the perceived benefits of training.

*Yes. [we do access subsidies] Largely from trade to technical training. Part of the discussions with TAFE help set the syllabus of what training is done. We might have 26 – 30 trades people doing the course, which is \$80,000 - \$100,000 for the course, plus time at a day a week for six months - \$10,000 per person. There is value from this. (General Manager)*

*We've offered some leadership training, but can't get people because of coverage on shifts. We are struggling with short term needs of today. An apprentice costs \$27,000 for the first year, \$44,000 by the fourth year; we go to contractors. Outages are dictated by labour availability of contractors and this impacts on business. (HR Manager)*

*There's always a question of how much you will put into training. (Production Manager)*



*In areas with restricted manning levels, it is difficult to get qualifications sponsored by the company. (HR Manager)*

*Training is an issue for tomorrow not today. When the dollars get tight, training is the first thing to go. (HR Manager Safety)*

## The VET system meeting needs

We also sought comment on perceptions of how well the VET system is responding to industry and enterprise needs. Despite national data (NCVER 2001) suggesting that Australian employers are generally satisfied with VET we found some ambivalence about how well the system is meeting the employer's needs.

*TAFE is collecting the rent! There is a lack of flexibility. There are certain aspects where responsiveness is good, but in a shift work situation we need contractors who are freely available. (Production Manager)*

*[Is the system doing a good job?] ... Yes and no. The single modular courses are good. I'm not blaming TAFE as such. With the engineering diploma there has been a lot of movement over the last six years ... which has caused ... a lot of heartache for the organisation, students, employers, TAFEs and employees. (Training Coordinator, Health and Safety)*

A team leader had the same response,

*Yes and no, for example, in First Aid. We have sent people to TAFE for lectures in the past but it hasn't always met expectation of our section with the required quality. (Team Leader)*

One of the Team Leaders commented,

*We can no longer send people on a course and say that it will suit it. We need [local providers] to come out and talk about modifying courses. There's not enough of that. In the bigger picture, having what's available made more public; [we] don't know what's available. Training here is on what our procedures are. It's not transferable. There is a non transferability of roles. There isn't a power station built that is exactly the same. I'm critical of Training Packages because of that ... people from [a different power station] would need a minimum of a month to be able to work in a new station.*

One interviewee commented on the challenge of simply keeping up with the constant changes in the system, in Training Packages and standards.

*The hardest thing from a management perspective is keeping up with all the changes – the competency standards required ... It is hard for the TAFEs, they register each year for what they are going to do instruction in ... They're running a business too. (General Manager Power)*

A recurring theme was that of industry relevance and the need for training to be developed in the industry with the key stakeholders.

*...the work needs to take place in industry, so that industry sees the value in training. If we could link competent trained people with safe people, people would start to see the value of training. (CEO Peak Body)*

This interviewee also went on to comment that the TAFE Institutes are all fiercely competing in a very small market, and they should have a more national focus.

*It would be better if they co-operated rather than competing; they are having trouble with that. The government created this monster. The TAFE sector needs to rethink and position itself strategically and compete internationally.*

Other comments reflected an awareness that the partnership between the VET system and industry and employers is still evolving. No one has all the answers and it takes time to build the relationships and the knowledge and understandings required. Even when things work well the results are not necessarily evident immediately.

*What we have to get used to in industry is that learning is a continuous process. I would encourage TAFE's, etc, to have certificates for training competent tradespeople and [addressing] what are the additional things people need to help their industries, for example, dual qualifications, on a night school basis. There is a need to ask 'what more can I do to add value, keep skills up to date' ...electronics, computing, people skills are important, but it depends on roles. (General Manager)*

*I guess it takes a bit of a leap of faith; you don't see the value 'til it's finished.*

*[Is the VET system doing OK?] I think it is; it struggles in areas of responsiveness and is not as fast as the outside world and industry requirements ...we're trying to find the interface people, the ones to recommend [to do] the training ... Often TAFE has to look to us to know what we want to do and we're not sure what's best, what is required to get what we want for the business. (General Manager)*

*We're moving down a path of dual trades, going to certificate type level. It doesn't always get the mix we need for our business. We're trying to break old habits to push people to work outside skills areas. (General Manager Power)*

Other comments reflected positive views based on the understanding that the nationally endorsed standards and qualifications are relevant to the industry needs.

*We've got a good program with coal, reworking the national coal standards and national coal support. (CEO Peak Body)*

*Lots of work has been done to get the brown coal into that [formal accredited training] system. It needs modification now. The higher order levels of training are not available yet. Black coal is underground with different competencies. (Production Manager)*

*For confined space training we designed the course internally meeting national competency standards and we use a company to come and audit the meeting of the competency standards. (General Manager Power)*

*The National Mining Certificate is going down the right path. The power industry needs to do this too. (HR Manager)*

The Training Coordinator, Health and Safety responded both 'yes' and 'no' to questions on whether training priorities were met through accredited training. Most in-house training, for example training on working in confined spaces, is accredited. However he added,

*At times, trying to make things nationally accredited just don't work, not viable, it's too hard. Then you get half arsed training and not you're getting what you need to work here.*

Finally, in this section, it is worth noting the concern expressed by some interviewees about the lack of knowledge about the VET system and what it offers. Some felt reluctant to offer opinions or make judgements on these issues because they were not fully informed.

*I don't know – I don't know what it offers. (Production Manager)*

The Training Coordinator Health and Safety expressed the need to have a data package of who has done what, such a resource, he argued, would be extremely useful.

Attempting to sum up the training provided in the industry, one of the Team Leaders described a mixture; some good, some 'a waste of time'. In referring to training with TAFE, he referred to the need to have it customised, suggesting that providers need to do research into what a particular company does. The Human Resources Manager noted the challenges provided by operating in a rural, regional context, removed from major capital city providers.

*This regional area struggles with the subjects, can't offer them any more; there's not the numbers as per the technical scheme in the past in the valley ...we get most of what we want from Melbourne – sub trade level is still available locally. (HR Manager)*

## Influence of the Training Package

The organisation has supported the development of the Certificate in Open Cut Mining (Brown Coal) contributing time and expertise of workers to provide input to the program. This has been accredited and is being delivered. In the Engineering Package risk management has been recently done and everyone will need to be trained in relation to that.

*Government regulations influence training. We need training for working in confined spaces. (Team Leader)*

The Training Coordinator Health and Safety viewed the Training Packages as having less influence in the last few years. He described an eclectic approach,

*...you take whatever training you can get; [we] will go to private providers to tailor the packages, for auditing we go to Melbourne, for sub professional training we are compelled to go elsewhere. (HR Manager)*

The Production Manager mentioned the significance of an ageing population,

*The coal certificates are becoming a training package. It's a bit irrelevant in the current circumstances ... The workforce is ageing; there are not a lot of young people in mine production. (Production Manager)*

When asked to consider whether the Training Package has had an impact more widely across the industry, as distinct from within the business, interviewees' responses once again reflected some ambivalence.

*It has met [needs] for the plant, but not for training at the next level ... [there is a] struggle with taking management to understand training is part of increasing productivity and efficiency of plant. (HR Manager)*

*For operators, the coal certificate is not yet recognized by the unions ... [but] the national modules are OK. (Production Manager)*

*Possibly not, we haven't been able to make the link between training and competent people and safety. They are separate activities. (CEO Peak Body)*

*It's hard to measure; it's sharpened the focus on delivery systems. (General Manager)*

## The organisation as a learning organisation

The study also sought to illuminate views of the enterprise as a learning organisation. We were interested in the learning culture within the company and whether learning, in general was encouraged. The Training Coordinator for Health and Safety noted that qualifications not directly related to the job are recognised within the company and that furthermore, if someone is for example, interested in learning how to develop data bases, they can be trained in this as part of a career shift. Asked whether the company might be considered a learning organisation he responded,

*Yes, definitely. One of the policies is to have a highly motivated and educated workforce.*

The General Manager also indicated that he felt the company is, at least to some extent, a learning organisation.

*Yes. All processes are based on continuous learning ... people can make mistakes, but not repeat them. We are learning as a group ... there are team principles... learn as an individual too.*

The CEO of the industry peak body stressed the value of multi-skilling and continuous learning, citing as an example

*If a fitter wanted to be an operator, that would be encouraged – multiskilling.*

The Production Manager was a little more ambivalent about claims to being a learning organisation.

*we're always seen as an uncultured organization, called 'rock apes' by the power station, brawn not brain. We need to bring young people in and mechanise what we are doing to avoid damage. ...The organisation is very interested in bringing in graduates.*

The HR Manager Safety, was even less than ambivalent. A learning organisation?. 'Not even close' was his summation.

## Link between qualifications and productivity

The interviews revealed that links between training and productivity are perceived as tenuous, difficult to assess and difficult to establish. The views expressed about possible qualifications and productivity links reflect this uncertainty.

*It [the link] should exist, but productivity is a function of attitude, not of what they know, having the right sort of attitude for the job and qualifications, ... recognizing they need to learn specific things for the job.*  
(Production Manager)

*There should be – can't prove it – nothing obvious. Companies with no formal training for qualifications do as well as those that do – have fantastic safety and communication programs, are well managed and have clear directions.* (CEO Peak Body)

*No: productivity and qualifications are not related. I have a degree: it's not related.* (Team Leader)

However, although still equivocal, some views reflected a more positive perception of links between qualifications and productivity.

*Yes [there are links] and more than productivity, flexibility, new ideas.* (HR Manager, Safety)

*In some things yes; if you can increase someone's worth they can do a job better, feel more confident in doing the job, improve productivity.* (Training Coordinator, Health and Safety)

## Selection of external provider

We sought information about how enterprises select external training providers. The factors selected by the General Manager emphasise the importance of long term relationships, to build on what is learnt in the process. He recognised a need for accredited training by people with some understanding of the business. Skills, reputation and realistic pricing were also important to him.

Price, location, flexibility, size and reputation are all important in the view of the Training Coordinator Health and Safety, with flexibility very important, especially in relation to mandatory training, for example, health and safety training on site. Flexibility was also cited as particularly important because of shift work.

*Credibility [is most important] and being able to sustain a relationship, [being] local, price ...can't get this from Melbourne.* (HR Manager)

*Price doesn't come into it. First there is the ability to deliver what you require, location, flexibility and then the price.* (Team Leader)

## Other factors

Several informants noted that there are continuing developmental needs for training at the enterprise level and within the industry.

*In Victoria [we] don't have a separate mining ITAB, [we] operate as a sub committee of Engineering Training Skills Board. In mining, there are 50,000 in Australia. We have state based systems but its national and have nationally accredited competencies. [Nevertheless, in Victoria] ... it's a small industry, with 3,000 employees in Victoria directly involved in mining* (CEO Peak Body).

*I would like to see something industry based for power industry set up.* (HR Manager)

Some comments reflected an understanding that Rome was not built in a day.

*We have a training plan – a three to five year plan and part of this goal is re-establishing where we are with accredited training. It is a key job* (Training Coordinator, Health and Safety)

Others identified particular areas where they perceived training needs. One interviewee identified supervisor and middle management level training as an issue.

*The supervisory gap is a problem ... We don't place [enough] importance on it in our organisation. We are dealing with issues in relation to supervisors with bullying, bartering and lack of communication.*

The final word, however, we shall leave with the Human Resources Manager who stressed, as did many of the respondents to this study, that so far as training and qualifications are concerned,

*Relevancy to the current position is required.* (HR Manager).

# Surfboard manufacturing

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Surfboard Manufacturing in Australia has grown from backyard beginnings in the early 1960s into a commercial business operation. Coupled with parallel developments in other surfing equipment such as wet suits, and leisure wear clothing, it represents a billion dollar global industry. However the industry has not shaken off those early beginnings. The industry still supports sole producer type operations in the local market. This may be because the industry is still largely unregulated and informal, lacking the industry peak groups and governmental relationships that characterise other industry sectors. However it should be noted that the interviewees, Wild Bill Surfboards and Wave Wizard, have links with the global industry through which they are developing export opportunities. The Surfing Industry has strong attachments to a curious mix of lifestyle and cultural values, like individualism, spiritualism, tribalism, and youthful anti-establishment sentiment. Paradoxically, the industry is also unashamedly commercial. Dedicated accredited training does not exist at this time. However for both Wild Bill Surfboards and Wave Wizard, training and skills are crucial to business success. Their approach to qualifications is shaped by:

- An unregulated industry context
- An unusual mix of cottage industry characteristics with growing production specialisation at commercial levels;
- linkages to global markets using e-business technologies.
- Lack of a formal training culture
- An intensely competitive manufacturing environment

## A perspective from the surfboard industry: “From the shape right through it’s a precision job”

Prepared by Ray Townsend

Workplace Learning Initiatives Pty Ltd

*Where but the moment before was only the wide desolation and invincible roar, is now a man, erect, full-statured, not-struggling frantically in that wild movement, not buried and crushed and buffeted by those mighty monsters, but standing above them all, calm and superb, poised on the giddy summit, his feet buried in the churning foam, the salt smoke rising to his knees, and all the rest of him in the free air and flashing sunlight, and he is flying through the air, flying forward, flying fast as the surge on which he stands. He is a Mercury -- a brown Mercury. His heels are winged, and in them is the swiftness of the sea. (Jack London, 1907 Surfing: The Royal Sport)*

## Introduction

In the summer of 1915 at Freshwater Beach, near Sydney, the great Hawaiian, Duke Kahanamoku ‘gave an amazing exhibition of wave riding with a solid surfboard modelled on the very type used by him in ...Hawaii.’

While the Duke was at Freshwater, he carved and formed a solid board from the local timber. It was with this board that he introduced the art of wave riding, ‘captivating the imaginations of all those present.’ (Brown 1966 p.2)

This method of construction remained in vogue until the 1940’s, when lighter hollow plywood boards began to be constructed. These boards were the result of the work of individuals or small groups of surfing enthusiasts. However it is from this time, in Australia and the U.S., that surfboards became a commercial commodity.

### The industry context:

This case study is drawn from interviews with two business owners and an ‘apprentice.’ Wild Bill Surfboards is a small business, while Wave Wizard (owner manager: Mitch) is, for the surfboard manufacturing industry, relatively large. Both these businesses make products for the domestic and international markets, which are growing, particularly in Japan and South America. Despite a high profile in pop culture, organisationally, the surfboard manufacturing industry lacks a collective voice. At the time of collecting this information, the case study informants were at the beginning phase of a process, auspiced by local government, that is an attempt to bring the individuals into some form of association. This lack of representation has some significance as it is usually through a level of formalisation of representation that industry groups are able to talk to government bureaucracies, including the infrastructure of the National Training System. It is through these relationships that codification, legitimization, the application of law, and the provision of services occurs.

Surfboard Manufacturing is characterised by small backyard operations, sole traders and large commercial operations. Based on these interviews, there does seem to be a fear that regulation or recognition in terms of government assistance, and the establishment of a peak organization to represent the industry, may be to the detriment of the smaller manufacturers and individuals. However these two employers are clearly looking for some sort of government assistance and support.

The participants in this case study exhibit considerable levels of ambivalence and anxiety around the costs and benefits of training in their personal situations. This seems to be a common theme for all small business people. Outsourcing of aspects of production reduces the need for trained staff and provides some certainty over quality assurance. It seems that larger commercial operations may be carrying the cost of maintaining skills in the industry.

In terms of VET Systems and formal processes the informality of the surfboard manufacturing industry illustrated here contrasts starkly with informed formal training structures evident at Excell Motor Company. However, when one considers production needs and values, like quality, competition and customer service, they are virtually identical.

### The participants

In what looks like a shabby u-shaped block of 60’s type flats, there is a precision instrument production facility. This is not obvious from the outside. It is also not obvious who is in charge. But I know I’m not looking for a ‘suit’. It doesn’t look like a ‘white coat’ zone either. Nor does it appear pristine clean and ‘high tech.’

The CEO, Wild Bill, emerges dressed in singlet, baggy shorts and sandals. Wild Bill runs a small business – export oriented, highly competitive, tight margins. His surfboards are made to measure, not just to the physical dimensions of the user, but also to the type of wave conditions that a person intends to ride and the style in which they intend to do it.

Wave Wizard is a very different operation to Wild Bill, in physical surrounds, and output. Mitch, the manager and co-owner of the business, says it is one of the larger board manufacturers in

Australia at this time. The operation looks like a factory from the outside. On the inside plastic dust curtains separate various booths, where shaping and sanding and finishing take place. There is an efficient extraction system, which removes harmful airborne particles and fumes from the production process. The focus for most of the production is on overseas markets in Japan, South America, Europe and North America.

*Well the majority of us here export, you know, 70% of our work or more to Japan and to places in Europe and Indonesia and the States and that sort of thing. So we are export wise. If you go and pick up all the baskets of companies that export in Australia and the things that we export, we are a large percentage exporter for the small industry that we are.*

The office is the epitome of the modern manufacturer: computers, fax, phones, technical drawings, and filing cabinets. Mitch, no longer has a hands on role on the business and employs a production manager.

Central to both these operations is the shaper. The story of the shaper, or the respect for skill, is one of the central themes of this case study.

## Shaping: The currency of skills

*The shaper is really the artist and engineer who can translate thoughts into reality.* (Gabrielson 2002 p.1)

The ancient Hawaiians venerated the shaper or ‘Kahuna.’ In many ways life hasn’t changed. Shaping skills are in high demand, and highly respected. Such skills are valuable assets in a competitive laissez-faire environment. Consequently, they are jealously guarded and enthusiastically exploited by those who possess them. Wild Bill explains:

*I regularly get people that want to come and do it. But there’s only, the actual surfboard shaping part, I mean the actual shaping part, that I won’t teach other people to do.*

*I get approached every month from kids that want to come in, boys that want be apprentices, come and learn to shape, but there’s no chance... that’s one of my edges and I want to keep that.*

Mitch, the CEO of Wave Wizard agrees:

*As soon as we teach someone on how to do something and if they’re any good at it, then they want to go somewhere else and do it themselves.*

For those committed to a particular lifestyle, shaping can provide a good income. It is usual that when an individual thinks he is skilled enough (the industry is overwhelmingly male), he will begin production for himself or negotiate a more lucrative contract. Consequently employers are loath to invest in training. The mystique, the ‘coolness’ or glamour associated with the task of shaping also attracts people to the work. Mitch continues:

*You’ll get a young guy that might work for a year, you’ve taught him all your secrets and the next thing you know, they’re out and opening up in opposition to you. .*

*Our industry is very short skilled at the moment. All these kids want to be shapers but they don’t realise there’s 3 years work in it before you should become a shaper.*

Wild Bill still considers himself a learner after many years of shaping himself.

*Well everyday, as far as shaping is concerned, the more I learn, the more realise I don’t know about it.*

He has been slowly documenting the skills involved in shaping. Waving a wad of papers at me, he exclaims that:

*It’s something that takes a lot of input, a lot of information, a lot of daily experience to gather, you know, that was quite difficult for me to put together on paper and that’s something that I’ve been doing for the last 13 years.*



The retention of trained and skilled staff is a significant issue for these employers, who see the potential for their investment in training to be wasted. They also recognise the complexity involved in training somebody for this task. Both of which dampen their enthusiasm for engaging in training.

Mitch suggests that formal government recognition, through apprenticeships and awards would help control the perceived drain on employers.

*Yeah, we can train them in everything that we do but the thing (is) that you can't get any government assistance for it because they don't recognise it (surfboard manufacturing) as (an) industry, as a trade. There is no apprenticeship offered; there is no award that it comes under.*

*I gave up, hitting my head against the wall with the government, trying to employ people, so everyone I've got now has already learned from other people.*

*The hardest thing is again if they're not locked into an apprenticeship*

For Mitch, the costs and risks in investing in training are a significant deterrent.

## Quality and cost influence training

As the mode of employment is chiefly by contract or piece work, workers are only given work that is available and which they are capable of doing. In some sense they are responsible for their own training.

Quality and competitive pressures, tight margins and the subsequent need for greater efficiencies drive the business into outsourcing. Wild Bill comments:

*I've physically got to the stage where financially, I can't afford to do that sort of thing (training) any more and I actually send out 40 or 50% of my work to another company where they've got more guys and it all gets done there.*

*Now I can't afford for it to be going through people that are under training hands. It's got to be a top notch straight so I'll go through another place (outsource) where they've got quality control.*

*I pay them for a quality product and my margins are less on it and I send that off to Japan and I know it's spot on.*

*From the shape right through it's precision job, the whole thing is a fine level precision job you know.*

*If you've got a beginner there that can make a point two of a millimetre a mistake well then you've got something that goes from high performance, high quality to something that it's a total dud.*

The costs and risks in training, that is the availability and competency of operators play a central role in his decision making.

## The importance of 'qualifications' in recruitment

For Wild Bill, recruitment is a particularly risky business. Like any other small business, he needs people who will be able to perform, as a lack of skill is immediately evident in the time taken or the quality of the job done.

*To come and work for me they do need to be someone that's relatively 'qualified' already you know, they've got to have enough 'qualifications' that I can get them to do half the work and leave... but if they've got none whatsoever they're going to cost me, you know. I can't afford to put them in.'*

In these two enterprises, which may not be representative of other manufacturers, individuals who present for jobs, who claim to have skills and experiences are invited to do a work trial, in much the same that way that restaurateur's trial waiting staff. Mitch from Wave Wizard explains:

*I let them do a couple of days with me and I have an idea what they're like, whether they are going to be worth putting some time into or not.*

Wild had the same kind of approach:

*If someone rings up and I'm looking for a glasser ... I'll ask them, (to) come around and (I'll) see the work. I look at their own surfboard in the car. Well you can't really judge them on that 'cause a good sander could make the glass job come up pretty good, but you gotta get them in for a day and get them to try it out. There is no, like, accreditation system.*

So for skilled workers, it appears that 'qualification' involves a demonstration or in VET terms, a recognition of current competency (RCC) exercise. However this is no qualification in the sense of a ticket or certificate at all.

Nevertheless, this sentiment is no different to any other small business that seeks skilled people and wishes to minimise the costs of training by employing ready made operators.

## Training that works

Wild Bill's notion of training was formed around traditional ideas of block release, or other forms of withdrawal from work. He is in the same predicament as other small business people, who cannot really engage in what they perceive as traditional forms of formal training because they are simply too small an operation, and as they see it, there is too much to risk. Like other small businesses, withdrawal of even one of Wild's workers from production, means an end to production as a whole. So that that type of training model is useless to him.

*(In some surfboard) Factories ...you've got five glasses in there and they do a production of 150 boards a week but when they've got one glasser down they're only down a percentage of their turnover not the whole thing... production doesn't stop...*

When the discussion about training began, Wild insisted that he 'didn't do training.' However when the notion of what was meant by training was broadened to include mentoring, coaching, instruction and correction, and other forms of workplace learning, he followed up with:

*I worked out the other day that around about 30% to 40% of my time every week has been in training. I think out of the last three years I've had at any one time just about six people here ... I've been through about 20 staff ... in the last three years, 12 of those were completely off the street and I've trained them into the trade, nine of them are still on the trade and doing it somewhere else, either at home or in backyard sort of deal and 3 of them have left the trade. So I've created useful people for other people all along.*

Paradoxically, at the time of compiling this case study, Wild has an 'apprentice', who also happens to be female. He has been *training* Angie for the past 2 years. He lives in fear that when his young protegee feels 'ready', or has gained a reputation, she will set up her own shop, or be poached by an outfit down the road.

While the training lacks formality, it has been designed within the constraints of a small business budget, and a knowledge of which skills count in creating the product. Wild Bill then went on to describe his approach. He was at pains to demonstrate the complexity that existed in the knowledge and skill that is required for the work:

*I just started working ... to help train both Angie and to help my store staff:*

*'This is a spring model, this is a standard all round surfboard, this is a person's weight and build and then that gives them a variation of the size that is most ideal for them*

*When you're talking about that many variables of that particular model of surfboard: that one is for small waves or for big waves or you know they're older and they're fatter and that sort of stuff, but those variables come into it and so you've got all this incredible amount of variables so it's not something that you can just learn in four years really. It's something that takes a lot of input, a lot of information.*

Clearly, this is not an enterprise that is switched off to training. However the learning process that is described here is more akin to a master / apprentice tradition than it is to current notions of competency based training.

Wild talked about the slow steady development in Angie's skill. Words like 'artistry' and 'spiritual' pepper the conversation. He is now able to allow her to do important tasks without supervision.

Although this is an informal process, it is clearly developmental and based around competency.

Angie comments:

*I think I would have spent the first two months just watching him (work) and that was part of learning how to do it. You keep on watching sort of thing.*

*I only started off doing sprays, coming in for a couple of months doing work experience training and got the job just watching how the factory worked and how the people worked with each other and how the production line went, especially within the surf industry.*

She talks about the special feel, a kinaesthetic sense/skill and competence that you can only learn by months and months of daily repetition and practice.

*When you rub around a board you're actually feeling every single part of that board and how that's a massive part of knowing how the new shape is going, and how the board feels, and what it's supposed to look like as a finished product, so it does help.*

On the motivation and attitude required, Angie says,

*You've got to get in there and want to learn it and you know (the opportunity) comes from coming in and watching for three months and having to work two other jobs to come in and just watch, whereas if you become a mechanic there's 20 million mechanics but there's not 20 million shapers.*

## Qualifications and recruitment

It seems that there is a distinction between shaping tasks and lesser skilled roles, for which both companies are prepared to recruit unskilled and semi-skilled individuals. However, for the recruitment of new or unskilled workers, Wild seems to use a different set of criteria. He is particularly attracted by positive attitudes and strong motivation. He used the following example.

*I needed someone straight away... (I) said (at Centrelink) 'I want to use someone on the job' This guy here was sitting down with other guys filling out the forms... he (Eric) goes, 'I'll have the job mate.'*

*He didn't say, 'What is it?'*

*(He said) 'I want a job!' Right. That's good enough for me, he was willing to work, he was someone that wanted to work, he wasn't too fussed and, at the time, I wanted someone that wanted to work. Good. He doesn't know that it's about surf and fashion... great!*

Wild Bill is wary of people who want to work in the industry because of its glamour, because they are usually disappointed and don't stay long. Later, he provided some insight into the types of skills and attitudes that he appreciated:

*He's (Eric) got a work attitude and he's turned out really good, and he wasn't someone that ever surfed beforehand and now I've got him on a surfboard, and he's having a go at it and he's learning about how to surf too, which helps him in his work. But he's someone that wants to learn more and wants to be good at what he does and that's the kind of attitude... It's hard to find in those sort of people too, and I know, I've got a lot of good ones there (from Centrelink).'*

## The future

Wild, like Mitch, is no love child, he is a business man. He recognises the value of training and the currency of shaper skills (read qualifications) to the industry. He talks enthusiastically about expanding into different parts of the globe; the efficiencies to be gained in outsourcing generic aspects of his production; protecting his unique product characteristics and monitoring his margins.

However, his willingness to take on Eric and Angie suggests that his attitudes to training expressed earlier may not be a hard and fast rule. Perhaps more an indication of the anxiety created around the risks associated with employing and investing in unskilled staff.

Perhaps what exacerbates the employment issue for these two employers, is a consistent stream of jobseekers wanting to find work in the Industry. Both Wild and Mitch at Wave Wizard have continual visits from parents who are looking for suitable apprenticeships for their children. But they are unable to oblige. They are in a sense hamstrung by the unregulated state of the industry and need to respond to the commercial pressures of the surfboard manufacturing industry.

At the time of collecting data for this case study, there had been moves by the Gold Coast Council to bring local manufacturers together with the view to forming some sort of representative body. To date this has not borne fruit. Wave Wizard jealously guards its shapers, and pays them well. While on the look out for poachers it will not hesitate to do the same: such is the cost of training to this business.

When asked about the National Training System and its latest developments, the interviewees, both Mitch and Wild were in the same boat. As Wild Bill said:

*Well none of us know how those things work cause we're all grass roots guys that have come out of it and some of have grown into a bigger size corporation*

There does appear to be a feeling of frustration emerging. A rhetorical question put by Wild Bill seems to sum up the challenge that faces the industry as a whole at this time. He asked:

*Are we still just a grass roots industry that really can't survive by doing it the official paper work way, you know?*

Informality, independence and individualism seem to be a strong part of the culture of surfboard making. However the continuing development of the industry clearly demands, particularly in the area of training and skills development, structures, incentives and guidance that will enable the industry to sustain itself into the future.

This story raises important issues about chickens and eggs. How does the VET System assist an industry and/or a small employer to become part of the National Training System, where structure and process do not exist? Secondly, were that possible, can VET Providers and Practitioners provide a real service to small local business within existing financial constraints and incentive programs. Thirdly, single employers have almost idiosyncratic demands and there is a significant challenge for VET practitioners to be able to fashion learning program that are true collaborations yet meet the universal needs of a national system.

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# Baking

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The Baking Industry case study consists of a small ‘constellation’ of four baking companies, three of which: Bake on, Bake Rite and Coast Bakeries are sole traders operating traditional retail bakeries, serving a local clientele. Sweet Delight, the fourth participant in the case study, is a family business, which is developing specific products to meet supply contracts with national supermarket chains. In essence, Sweet Delight is developing an industrial manufacturing operation, which is necessary to attain levels of production, efficiency and quality required by its customers. The expansion of service provided by supermarkets, and the development of national franchising operations, has placed local traditional retail bakeries under considerable pressure. At the same time it has provided commercial opportunities for Sweet Delight and specialist bakers who supply a specific range of products, for instance, to an increasingly discerning and demanding public. Apprenticeship has been the traditional form of accredited training in this industry. However, anecdotal evidence from our Baking Industry Association interviewee suggests that *formal* training is a relatively low priority issue in the industry. This sentiment is confirmed but qualified by the other interviewees to the study. The key factors in the industry context appear to be:

- A traditional history of trade and apprenticeship training
- Diversification and restructuring within the industry
- Work-Life issues associated with the continuous daily production
- Intense local competition.

## A perspective from the baking industry: Patriarchs, profiteroles & pastrycooks.

Prepared by Dr Peter Waterhouse & Ray Townsend

Workplace Learning Initiatives Pty Ltd

## Introduction

The two researchers are seated around the meeting table in the office of the Baking Industry Association of Victoria (BIAV). Outside the office heavy traffic rumbles past on a busy suburban arterial road. Our host is Cheryl Downie, the energetic and effervescent Executive Officer for the association. A former Executive Officer from an Industry Training Board Cheryl is both a passionate advocate for her industry and a keen believer in the importance of education and training. With us are three members of one family, all men. They represent three distinct bakeries. All are shop-front retail businesses, they would all be classified as small businesses.

Alf is the patriarch. He has been a baker for over 40 years. His passion for the industry remains undiminished after a lifetime of involvement. With him are Ian, one of his sons, and ‘Kev’ his son in law – both bakers – although Kev is not a qualified tradesman having commenced his working life in the banking and finance industry. Alf also has another son, Trev, who is also a baker. The ‘boys’ have each served time, as apprentices, with Alf. They share a common family and business heritage and their businesses have much in common. However what emerges from

our discussions is the variation in their bakeries, based largely on their respective locations and differing work practices.

## Significant differences

As Alf explains,

*TAFE could never cover it in a lifetime because each business is different, each baker has his own methods and theories and why he does things, and that basically comes in the type of bakehouse you work in. My bakery is completely different to them two.*

Kev adds,

*the way we do production, the way I see a product, the way they see a product. I suppose the simplest way to put it, we all use the same ingredients, it's what you do with it makes a difference.*

It becomes apparent as we talk that cultural, ethnic and socio-economic differences mean that a shopfront bakery serving a local population can vary markedly from another bakery even a just few kilometres away. Even within the Greater City of Melbourne, a bakery in a seaside tourist zone will produce and sell different products to one in Caulfield or another in Moorabbin, each location with different communities and markets. Each business is unique so that broad based accredited training in the form of apprenticeships, or standardised TAFE training can never fully meet the needs of a particular business. Alf talked about taking on an experienced baker,

*He had worked for four years, but when he came to me I totally retrained him. He knew his products backwards but **how** he did things had to change, because ours is twice as small and so the way he did things wasn't how it was done at my place. So I had to retrain him again because what he did at [his previous bakery] was good, but wasn't right to my place.*

As the discussion unfolded it became apparent that variations in product, production processes, plant and work methods meant that what constituted competence was localised or contextualised to each business. As Alf commented,

*And it's no good the TAFE trying to say, 'Well this is one style and this is the other', they just could not do it. They just could not match every individual style*

The consequence of this need for contextualised or localised competence is that these bakers, each an employer in their own right, reserved the right to determine who was 'qualified'. Satisfactory completion of the trades schooling does not, in itself instill the confidence in these employers that job applicants are appropriately skilled or oriented for the workplace – at least not for their particular workplace.

*They got through trades school and they've passed it all but generally they don't have the skills or standard of living.*

## What it means to be 'qualified'

We will return in a moment to Ian's reference to the 'standard of living'. For the moment the focus here is on what it means to be 'qualified'. Cheryl stresses that to refer to a need for **re**-training is not entirely appropriate. The skills and understandings required, she argues are fundamental to being a competent baker within a given business context.

*I mean, it's not **re**-training or such, it's genuinely how you want to run the business.*

These skills and understandings may be central to running the business but they are also situated, and to some extent, idiosyncratic. Furthermore some of the necessary skills and understandings can only come from practice and experience in the given context. Ian talked about how difficult

it is to pin down bread making production processes into fixed or standardised operating procedures. Vagaries like the weather can affect dough making. Sometimes, he said,

*the water hasn't got the right temperature, or the weather is too hot, or they didn't get enough sleep, and all of a sudden they've lost the dough and it's out of control.*

Whilst these bakers stressed that the formal trade training is, in some respects, inadequate to their business needs, it had nevertheless formed an essential part of their training and business strategies. The clear difference was in the concept of qualification: the bakers interviewed did not believe that a person who completes a formal course is necessarily 'qualified'. To clarify the distinction in our terms, we might note that they are talking about people who are qualified (in VET terms) but not necessarily capable.

## Changing lifestyles

The references to not getting enough sleep and to 'standard of living' were also illuminating. As we further questioned it became apparent that these bakers were concerned about lifestyle issues. The baking industry is characterised by shift work which many find extremely demanding on family, self and lifestyle. Simply to stay in the job requires a commitment to a way of life which many, particularly young people, find difficult to sustain. This is what Ian meant by his reference to those who do not have the 'standard of living'. These pressures are compounded by the competitiveness of the industry. Our respondents talked about the impact of other small bakeries in the same locality, sometimes in the same street. Competition with supermarkets was also identified as a relevant factor, some of which remain open for twenty-four hour service. The consequence for some bakers is a demand for continuous shift work, long hours and seven days a week operation, fifty two weeks of the year. As Alf noted,

*Say you go back 20 years ago and nearly every baker-pastry cook would close for four weeks. So people would have their holidays and then start again.*

It does not happen that way anymore and as Ian says, for many, especially the younger people, the expectations are too great.

*Half the time because at that age 17 or 18, [life is about] the pub, girls, a job at 10 o'clock at night! Forget about it. They walk off!*

Cheryl Downie notes however, that this need not necessarily be the end of the story,

*That's not to say that we completely loose them. When they are a bit more mature, they might come back and so they've got a pathway through their apprenticeship. They will come back in years to come and what we have not been using as much is the [training] system to allow them to finish their apprenticeship or get assessed, because they still have quite good experiences but they have to have these skills assessed to get their qualifications.*

Commenting on the impact of these 'lifestyle' factors on his own life Ian notes,

*The same with my friends down the street, they cannot believe the hours that I work, like the shifts of the night and my marriage hasn't worked ... Own a bakery but don't have a home.*

Alf comments that,

*It often depends on your family environment and their support. I am very fortunate, my wife she's very placid and she accepts that's what it's got to be.*

As the discussion unfolds Alf adds,

*It's a lifestyle, definitely ... If you don't like it and if you haven't got the patience for it, you've got problems.*

## A level of passion

Hence success in the industry is determined by the level of passion that one has for the job because it is seen, largely because of the hours, as a lifestyle choice. There was some debate amongst the interview group over whether it is possible for the VET system to train for the necessary ‘passion.’

What was agreed was the importance of parental and family support for young people entering the industry, partly because as Alf put it,

*You’ve got to forget your mates.*

Equally significant was the responsibility placed upon employers. Alf was passionate about the importance of looking after his staff – particularly the younger ones.

*I would say that no more than 20% of the industry would be looking after their people. You see my apprentices, if I know that they’re going out tonight, I would say, ‘Well you better come to work a bit later then’. And I would get up early for them. I tried to think as when I was young, the things I could not do because of the hours.*

He argued there was no point in being an employer unless one was prepared ‘to give something back’.

*For one, you’ve got to have patience; two, you’ve got to be interested in giving something back. If you’re not interested in giving something back you would always have problems as an employer because you’re not passing knowledge over to your employees or your apprentices.*

## Business orientation

Whilst there is an impressive generosity of spirit in Alf’s approach to mentoring and nurturing his staff he is also conscious of business imperatives. Indeed one of his criticisms of the TAFE system is that at times it fails to reflect these realities.

*[The difficulty with] a lot of the TAFE colleges is the fact that a lot of those instructors are not business oriented. They have never been down that path ... one prime example is a girl ... only six years in the industry she’s already a TAFE instructor. In my days when I was asked to go to the college you had to have five years of trading experience*

The particular pressures of lifestyle and commercial operation in the baking industry are recognised by the BIAV which is pursuing strategies to make ‘relief bakers’ available to small to medium size enterprises such as those owned by Alf and his clan. However the challenges are considerable and continuing. Cheryl Downie notes,

*One of my jobs as you can see, is advertising for a relief baker, we’re writing an article to go into the papers, because all I’ve done is advertised it within the industry and received poor response. So now we’ve to start expanding into the network.*

Cheryl Downie also makes an important distinction based on her knowledge of these owner–operators. She highlights the difference between working *in* the business and working *on* the business.

*All of the three bakeries here, and they’re all very successful, they all know that there are times for working in their business and there is time for working on their business ... They will get to a stage where they [bakers] will start doing these overseas travels, and being involved you know, and seeing the broader aspects of the industry, but it’s timely and each business and the development of each business, is different.*



## From a craft tradition to mass production

The distinction highlighted by Downie is further illuminated by the case of Sweet Delight bakery. Three years ago Sweet Delight employed eight people; today it employs over thirty people. The Sweet Delight story presents emerging good news about a TAFE Institute appreciating its client's business context. It provides an interesting contrast to the concerns identified by Alf. We spoke with Melissa, the HR manager and training co-ordinator for Sweet Delight.

This fast growing family baking enterprise has narrowed its products to focus on specific supplies to retail chains across Australia. Working on, as well as in the business, has led to a high volume operation utilising technology in combination with efficiencies in preparation. New systems and practices, such as the use of pre-mix batches, has changed the business to the extent that traditional pastry skills are no longer required for most employees. As Melissa explains,

*We only have three qualified pastry cooks. We used to offer apprenticeships, the last person we had go through, it was so long ago, they're not even on the books any more ... What we do, you don't need any skills, I mean, as long as you can read and follow a recipe it's straightforward, there's nothing complicated with anything ... we have our own in-house training program now, it's four hours everyone goes through when they start.*

Whilst some observers might decry the loss of skills associated with such changes, the Sweet Delight business has moved from a traditional trade or craft tradition towards a modern, mass production, high-tech, food processing operation. The business now produces 40,000 packets of profiteroles and up to 80,000 slices every day; literally thousands of sweet delights that finish up on supermarket shelves, and ultimately on platters and coffee tables all over the country. The business is now looking at possibilities for exporting its products.

## Compliance and food safety training

Accredited training in food handling is mandatory as the business must comply with client specifications for product quality and hygiene. Indeed pressure from their customers has pushed Sweet Delight into training.

*That [training] came about as part of our [major customer's] requirements. On top of that becoming co-producers of [another major customer], their standards are a bit higher ... they want a bit more, they actually want us to have a bit more of formalised training ... as an ongoing process, to make sure that people's skills are up-to-date*

Sweet Delight is concerned to comply with their customers needs and with requirements for food safety training, as Melissa notes,

*all new staff from now on, will be doing Certificate II without an option and it makes it easy for us that they do, for all our handling food safety and that way we're covered.*

Thus the requirements for Hazard Analysis and Critical Control Point (HACCP) awareness are a driving factor in the training at Sweet Delight. However these requirements will be met by accredited training auspiced through the Apprenticeship and Traineeship Training Program (ATTP). This training will be done by a TAFE Institute that was contracted because they promised to develop the course to suit the production process at the enterprise. The Institute will conduct the training onsite and at a time which suits the business. This level of flexibility and responsiveness is valued by the employer. At the time of our interview the training program had not commenced, but Melissa had expectations about the process as well as the product.

*The way that I understand it's going to work ... and it hasn't started yet, I've only met the trainer once. They'll come out to us ... take us through to what the modules are, there's optional ones in corporate training, optional for anyone who wants to go through ... we have specific handling things to how we actually make up our product ... it's all everyday things like you have to wash your hands before you go into production area. All your little everyday things like that which are specific to us. They'll incorporate that into the program ...*

*The trainer from what I understand will actually come out and work with us for a couple of days and learn our system, learn our paper work, because our paper work has been designed pretty much by me to work with how we do things. So there's no point for the instructor coming in and saying, 'Well this is a cleaning form ... you have to sign your stuff everyday' and then they go down at the back and see ours and it's totally different.*

The training provider, a TAFE Institute in this case, has made a commitment not only to teach, but to learn and to listen. There appears to be the commitment to a collaborative development process to design and implement a program to reflect accurately and address the needs of the Sweet Delight business. As Melissa reports it the program will focus on the practicalities and day to day requirements of the production process.

*The Certificate II ... there are components which are related to the way we do things, it's a fairly basic course, you're weighing, you're mixing, things like that ... the big areas are on things like labelling, food handling, HACCP awareness, the occupational health and safety, it's food processing more than manufacturing.*

Melissa stresses the importance of accurate labelling, another area where government legislation is increasing demands, and the constant need for vigilance on issues of food safety, an area of legitimate concern for their customers,

*as long as they [operators] have their food safety ... as long as they know how to deliver, [so that] we're not food poisoning anyone and that's what they're concerned about.*

## A proactive TAFE strategy

Significantly, this training opportunity has arisen from the TAFE Institute's proactive approach to marketing and business development. Melissa is quite clear that,

*If they hadn't come to us we wouldn't have done it and we wouldn't consider going off-site for training.*

In the move away from a traditional trade skills base Sweet Delight had largely abandoned its commitment to training.

*In the past our employees having no qualifications has never been an issue at all.*

However the direct approach from the TAFE Institute prompted thinking about how accredited training might address some of the company's needs. There was recognition that the focus of the business was too narrow to support traditional apprenticeships.

*The reason why we don't offer apprenticeship anymore is ... in our business we don't offer a wide enough product. We can't have someone coming to us doing an apprenticeship for four years and then go out and get a job as a traditional pastry cook.*

The education-in-marketing approach adopted by the TAFE Institute helped the Sweet Delight management to see the potential for a new approach to training, an approach that would enable employees to gain recognised credentials – albeit not traditional trade credentials. As an employer Melissa sees value in these qualifications. Given a choice of applicants for a position she would generally choose someone with food handling qualifications over someone who lacked such qualifications. She also noted the increasing competition for jobs and the consequent pressure on individuals for credentials.

*In a few years, if you are without a qualification you won't be able to get a job.*

As an employer Sweet Delight believes that providing accredited training to its employees is an important way for unqualified workers to improve their job prospects.

*The fact that they're coming out with a certificate is good. A lot didn't go to school much, and they come from lower socio-economic groups.*

At the same time however it is clear that the imperative is for the training to address the needs of the business. The actual focus and purpose of the training is a key aspect of this value adding.

## Importance of incentives

However Melissa also acknowledged the importance of the Commonwealth incentive payments to employers which effectively mean that

*each new employee costs us \$300 [for training] and we get all that back ...[and] at Certificate II level, you don't have to pay payroll tax or workcover, so that is an important aspect.*

The combination of a collaborative relationship with the provider, well designed responsive training which adds value to the company, funding incentives, and the provision of recognised credentials for employees has generated a commitment to training at Sweet Delight. It is a commitment which holds promise both for the business and for the individuals on the shopfloor.

From the traditional patriarch with apprentices to profitable profiteroles and fast paced food processing – our brief excursion into the baking industry can not claim to capture the diversity and complexity of this industry. We have had only the smallest taste, no more than a sample from the smorgasbord of possibilities in training and development within this industry. However the stories our participants have shared with us highlight the individuality of their businesses, the value of accredited training as a basis, or foundation, for development and the potential for accredited training to add value to the business. The realisation of this potential depends upon the development of effective relationships and the collaborative partnerships that they produce.

# Seafood

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The seafood industry has only recently come together, through the establishment of national and state industry bodies, to maximize opportunities for government support, and to develop the industry collectively. Fishers have traditionally raced each other to the catch, and protected local knowledge about catch sites. It is also a family oriented business, which through competition can pit families against each other on a daily basis. Relationships at this level are still developing, still influenced by commercial rivalry. While nationally accredited training programs are being developed, industry cultural issues, distance and location play a strong part in how this ‘roll out’ will transpire. Coastal Seafoods is a small family company, which processes abalone for domestic and overseas markets. It is situated in a rural coastal region, close to a large provincial city. Businesses like this have traditionally provided employment, sometimes seasonal, to unskilled local people and itinerant workers, so that accredited training is quite novel. Fisherman’s Basket is part of the growth, and variation, in seafood retail outlets in Australia, responding to changes in eating preferences. One aspect of formal training at Fisherman’s Basket provides its employees with accredited hygiene and food handling qualifications, which are now mandatory requirements in the industry. For the seafood businesses contributing to our study the key industry factors shaping approaches to training and qualifications appear to be:

- Historical – the absence of a formal training culture
- Compliance - associated with quality assurance and new legislation
- The potential for qualifications in marketing the business

## A perspective from the seafood industry: A different kettle of fish

Prepared by Ray Townsend

Workplace Learning Initiatives Pty Ltd

### Introduction

The seafood industry has only recently come together, through the establishment of national and state industry bodies, to maximize opportunities for government support, and to develop the industry collectively. Fishers have traditionally raced each other to the catch, and protected local knowledge about catch sites. It is also a family oriented business, which through competition can pit families against each other on a daily basis. Relationships at this level are still developing, still influenced by commercial rivalry. While nationally accredited training programs are being developed, industry cultural issues, distance and location play a strong part in how this ‘roll out’ will transpire. Coastal Seafoods is a small family company, which processes abalone for domestic and overseas markets. It is situated in a rural coastal region, close to a large provincial city. Businesses like this have traditionally provided employment, sometimes seasonal, to unskilled local people and itinerant workers, so that accredited training is quite novel. Fisherman’s Basket is part of the growth, and variation, in seafood retail outlets in Australia, responding to changes in eating preferences. One aspect of formal training at Fisherman’s Basket provides its employees with accredited hygiene and food handling qualifications, which are now mandatory

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## Industry perspective

In order to meet the demands of tourism and trade in a competitive global market, traditional allegiances and business practices are in an ongoing process of transformation, as indicated above. Local consumers with an increasing sophistication are making demands on retailers for improved products and services. Both of these national and international competitive demand pressures are reflected in the recent introduction of food safety regulations to which enterprises must comply. These are all strong motivators for formal training.

## The participants

The perspectives of three employers involved in different aspects of the seafood industry feature in this case study.

Coastal Seafoods is a small family business, producing cooked and canned abalone for the international market. The product is processed and canned onsite. The business is situated on the west coast of Victoria. Production is seasonal, dictated by the availability of the catch. Workers, generally unskilled, are drawn from the local town and from a large provincial city nearby.

Fisherman's basket is an upmarket seafood retail outlet, providing both fresh and cooked produce in two retail outlets in the inner eastern suburbs of Melbourne. The staff, unlike those at Coastal Seafoods, are part time casual senior secondary and tertiary undergraduate students.

The shops represent a major development in the way that fresh and prepared seafood is presented and sold to the community. Fisherman's Basket sources its product Australia wide through the Melbourne Wholesale Fish Market.

Both businesses have recently been involved in formal accredited training, Fisherman's Basket receiving recognition by the industry for the quality of its training.

The participants in the study were Karen, the manager of Coastal Seafoods; Frank and John, partners in Fisherman's Basket, who each manage an outlet, and Robert, an industry training consultant, representing the RTO that conducted training for both organisations.

Robert, the training consultant, was interviewed after it became clear that there were aspects of the training, particularly the level of collaboration, which appeared to be crucial to the satisfaction of the employers involved. The researchers felt that this approach to training, from a small business perspective, deserved further investigation.

## Motivations for formal training: The value of qualifications

We have seen through our investigations that compliance is a strong motivator for training as is the intensity of competition within industry sectors. Such an environment requires efficiencies and improved productivity as well as innovation. Our informants reflect some of these tensions and demonstrate how employers perceive that formal training or qualification can contribute to business survival and success.

Recently, Coastal Seafoods established a retail outlet as a variation to its normal business. In preparation for this, the company saw the need for some type of formal training. Karen reports:

*In order to comply with Government regulations, I think it was, we did a safe food handling course. Then it just followed on to the plant.*

Although the primary motivation was compliance, it became apparent that practical benefits for the business were also envisaged. When Karen talks about ‘improving the training effort’ she is also concerned about efficiency and quality issues.

Frank from Fishermans Basket never mentioned compliance as a motivator for formal training. He was more attuned to the benefits that would flow to his business and his employees, and to the industry as a whole. Frank explains why he got involved:

*In order to get ahead in business you need an edge. We had the chance to show leadership in the industry as well as lift our own image by getting involved. There was also the opportunity we would be giving our staff in assisting them to formal qualifications and at the end of the day overall improvement in morale which should mean happier staff and (hopefully) happier clients.*

Getting some commitment or motivating workers to participate in training programs in some organizations is often a difficult task. However in this case, there were no problems. Karen related that:

*They (the employees) were keen to get certificates. There weren't any (other) incentives. You know, working in an abalone shed, they never thought that it would be something that would happen, that they'd have a certificate. That's what seems to be so much everywhere now. You're looking for work and that sort of thing and the more certificates that you have the more places you can go.*

Karen and her unskilled workforce recognised the advantages in accredited training.

*A lot of them were usually young people, others had been, just workers, like one guy a bit older, but he ...had never had a career as such, you know, just worked in different jobs*

For Fishermans Basket, which employs senior secondary and tertiary students, who are already involved in learning programs, the response to formal training was mixed.

John reported that:

*(Motivation is) moderate. They can see that (the qualifications) they're of relevance, that there is some importance. (But) they look at their long term situation and don't see themselves as being there (at the shop). Most of them are doing university courses and going in totally different directions (to a career in seafood retailing).*

Frank had a different view about the value placed on the qualifications by his employees, and could see how that attitude had positive spin offs for Fisherman's Basket

*I have been very surprised about this. Some are a little blasé about it but in the main they are very pleased to be given the opportunity and as a result I feel we have benefited as an employer.*

As an employer Frank described the personal motivation that he gains from being able to assist young people

*(Formal training is valued)...very much. The staff are given an incentive to learn skills on the job and in the fullness of time as they have obtained their skills move up the ladder. It has been excellent to be able to assist young people and you feel as if you are assisting the community too*

## The role of the training provider

Having opted for formal training both organisations had to find providers and design training that met their physical requirements and long term commercial plans.

Small businesses with a small workforce are often conflicted and ambivalent about formal training. If the training involves withdrawing an employee from the work task, either production is stopped or slowed or that person must be replaced. Either way, a cost is involved. For Coastal Seafoods, the work cannot be postponed; it must be completed when the catch is on hand. Despite incentives, there are performance standards that have to be met. Therefore they needed a provider, who understood and was able to work within these constraints. Selection of the right training provider was therefore important. Karen continued:

*We are a small organization, so training had to be on the job, so that production could keep going.*

*We needed a provider that could do this (shape the training to the reality of the business). (The training) had to be relevant to what we do here.*

Prior to the introduction of formal training, Karen had been doing the informal training herself. She described it in the following terms:

*Just planning for what they (employees) are doing, because we are so small. I don't know, just teaching and making sure that it (production quality and output) is maintained.*

Embarking on such things as formal training as we have seen here, is perceived by these employers as a risky business, which the training provider needs to appreciate. Frank said:

*I think we have coped very well due in no small part to the relationship we have developed with (the RTO). It can be a mind blowing experience so you need to work into it slowly and build your confidence.*

*I think we (Fisherman's Basket and the RTO) have both learned from our relationship which we now see as a partnership*

*We chose (the RTO) as they were interested in us and keen to assist us. They are not a large TAFE where we do not believe we would have received similar attention.*

## Building sustainability through formal training

The formal training at Coastal Seafoods had a number of layers, which included Karen being trained in Cert 4 in Workplace Training and Assessment as well as Cert III in Seafood Processing so that she could improve her own training effort and support the formal training for the shopfloor; the employees received a Cert II in Seafood Processing. A plain English 'manual' was produced which demonstrated task procedures and quality standards required at each stage of production.

In essence the training program seemed to be a real collaboration between the RTO and Coastal Seafoods, aimed at providing the business with a resource and skill base to sustain itself into the future, post training. To do this Robert had to first learn about how the business worked in a very practical sense. Karen gave him the space to move into the worker's world, on the shopfloor. Robert added:

*I needed to earn the respect of those people (the employer and employees) and respect them in turn, otherwise there was no basis upon which they would accept my presence or the assistance that I was offering.*

*I mean I'm standing talking to and giving guidance to guys, who are shucking abalone, covered in shit. They know I'm not one of them but they know and accept that I've got something useful to offer. Building that sort of relationship was crucial to the success of the program.*

A similar program was developed for Fishermans basket, where the Managers actively studied the same Cert IV in Assessment and Workplace Training, contextualised to their businesses. Both report that they are now able to conduct training with support from the RTO.

## Satisfaction: The benefits of formal training

Both of the participant employers in this case study express satisfaction with their formal training, with the qualifications received, and can point to tangible changes. As Frank stated:

*We certainly have had less staff turnover*

*'... lower staff turnover, happier staff as you are seen to be investing in them ... confidence in giving younger people the opportunity due to the fact they are getting training. We have won awards for our training and hopefully at the end of the day we have happier regular clientele.*

Frank re-iterated that the style and flexibility of the training provided, was crucial to the successes achieved:

*It (the training) was all about what we wanted, what skills our employees needed, how we could improve as a company, what times we wanted training, etc. It wasn't about taking something that was there even if wasn't relevant and working to the trainers schedule.*

In planning for the training at Coastal Seafoods, it was felt that the training would improve efficiency in the plant. And to that end, the training was successful. When asked if she could see positive changes in the work as a result of training, Karen replied:

*Yes. There is (a link). They can get the job done more quickly.*

In collaboration with the RTO Coastal Seafoods was able to have a customised and contextualised formal training program that contained costs, and developed a measure of self reliance. Following the training, standards of quality and production have improved which employees understand and embrace.

## The role of government support

Coastal Seafoods was also able, through its training provider, to benefit from state government training funds, through the Priority Education and Training Program (PETP).

However, Karen explained, that for her business, the training was an expensive exercise. Clearly, without financial support, the training as it evolved would not have occurred. It would probably have stopped at meeting government regulatory requirements.

*(The subsidy to the RTO) makes it economically viable to do.*

*Cost is an important factor in deciding what training is undertaken. It's costly to set up manuals etc.*

Frank and John expressed similar sentiments and were also able illustrate how the incentives enabled them to compete.

*They (subsidies and incentives) are obviously very significant particularly from a small business environment. It would be very difficult for us to match training available by large companies with whom we compete, (like) supermarkets if we were not able to obtain subsidies and incentives.*



They were also aware that misuse or corruption in the system threatens the positive benefits that such subsidies and incentives create. Frank's final word on this was continued:

*Crack down on the rorting to ensure that genuine people involved in training do not lose the subsidies and incentives.*

# Information technology

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Technological development, knowledge management, speculation; risk, fluidity and fast paced change; and the information super highway, are all aspects of the life in the Information Technology Sector. Included in this case study, are insights from a software development company specialising in cutting edge research and development (Curve); an international computer solutions company (RAM Ltd); an IT recruitment agency (Expert IT); and a professional association, Australian Computer Society (ACS). The information technology industry values accredited training that meets its needs. Such training does not necessarily have to include elements of the National Training Framework. Perhaps more so than other sectors, the IT industry is compelled to keep up with the rapid changes in technology, therefore the demand for training and accreditation is high. The industry values both accredited and non-accredited training, as long as it meets the needs of the individuals and the organization. As such, there is generally not a lot of emphasis placed on whether or not the training and/or certification falls within the National Training Framework. The key industry factors affecting our interviewees in this case appear to be:

- The value placed upon knowledge and knowledge management
- The global and intensely competitive nature of the industry
- The fast pace of change – affecting product development and obsolescence.
- A growing pool of unemployed IT specialists

A perspective from the information technology industry:  
Evolving technology, evolving workers; “If you don’t keep on top of it, you’re screwed.”

Prepared by Renee Callander

Workplace Learning Initiatives Pty Ltd

## Introduction

Information Technology (IT) professionals require high-level technical expertise, with specific IT skills varying from job to job. The key issue for organisations operating within the IT world is keeping up to date. The modern era presents us with a situation where knowledge and skills are advancing more rapidly than the average person or organisation can keep up with. This means that lifelong learning is essential, and drives a strong commitment to training and development.

For this case study, we interviewed a variety of IT Organisations. Firstly, we spoke with representatives from three arms of a professional society called the Computer Society, the Chief Executive, the International Computer Drivers License (ICDL) Business Manager, and the Executive Director of the Computer Society Foundation Trust Fund. Members of the Computer Society must be qualified professionals, and there are a wide range of activities and resources on offer, primarily to members.

We spoke with the Human Resources Manager from Expert IT, who specialise in recruitment and Human Resource Solutions for the IT&T Industry. With more than 1,600 contractors

working in Australia and New Zealand, Expert IT has offices throughout Australia and New Zealand

To deepen our understanding, we spoke with two IT organizations.

RAM is a large multinational IT company with financial, retail, printing and supplies, data warehousing, and customer services divisions. Curve works on the cutting edge of technology, developing new ideas and technologies to match. They have offices in Australia and California.

## The need for qualifications: Meeting high expectations and industry needs

It was stated in all of our conversations that employers are looking for degrees as a minimum point of entry for prospective employees. This is due to two factors. Firstly, it is because the job market is saturated with IT graduates, and therefore employers can afford to have high demands. Secondly, it is due to the skills requirements and changing nature of the industry, meaning that qualifications are an important indicator of knowledge, skill and potential.

The HR Manager from Expert IT related the difficulty for graduates trying to find work:

*It is sort of hard with IT, because clients (employers) want people to be really switched on, have a degree, and have experience all at the same time.*

Here we see that not only are applicants required to have a degree, but also there is an emphasis on experience. She continued:

*If you have done some work experience while you are studying that's great. Even if you have two degrees, if you have no experience it is going to be harder for you to get in there. I have always told candidates to try and get some experience while you are studying, even if it is just a short 2 day contract doing some PC support, just so that the client (employer) knows that you have had exposure to that kind of environment.*

*This was shown to be the case for both technical and non-technical roles, as all informants felt that learning a skill within an artificial environment could not be compared to practicing that skill in the real world.*

Research has shown that IT graduates are finding it difficult to find employment in their chosen field, while there are skills shortages reported for highly technical roles (Cooper 2002)

Due to the high demands of employers, there is an increased demand on graduates to continue to broaden their skill base, sometimes specialising in highly technical areas or studying complementary disciplines, and to find ways to gain practical experience. Michael Butler, executive officer of the Information Technology Professionals Association (ITPA), has explained that the industry is looking for people with specific skills and experience:

*As impending graduates would be aware, the attainment of a degree in itself is not sufficient. People need to build on the undergraduate degree and obtain further relevant qualifications etc. For instance, the IT Industry Taskforce report identified that most of the new positions cannot simply be filled by new graduates but require between one to three years IT experience. Further, there is in this day and age a greater emphasis on management skills and in fact many people who eventually find employment in the IT Industry are those that possess management/ business qualifications which have IT components.*

Therefore, for people embarking on an IT career, qualifications are essential. This is because of the level of skill and understanding required and also because employers can afford to have high expectations. In fact, it was revealed by our informants that all qualifications and experience, including basic life experience, have value. Further, an individual's values and attitudes are also considered as important. Employers are looking for people who can continue to learn and grow, enabling the organization to learn and grow at the same time.

## The significance of qualifications: Screening for potential and emphasising quality

For the companies consulted in this study, when it comes to the technical roles within the IT industry, a degree will be a minimum requirement. If you are looking for a job at Curve, for example, you will need to have a degree (with high distinctions), and you will be put through a stringent interviewing process which includes written and verbal technical tests. All the people we spoke to reflected the importance of obtaining a degree. The Information Technology & Telecommunications Industry Training Advisory Body (IT&Titab) itself acknowledged:

*The industry does not yet value VET qualifications in comparison to Higher Education (IT&Titab 2002 p.7).*

Some technical roles will require not only a degree but also specific certification. Such certifications are granted by hardware and software vendors such as Microsoft, and Cisco. Cisco, for example, offers certification in installing and maintaining its network hardware. Microsoft offers certification for almost all of its products. Our informant from Expert IT explained:

*A lot of clients ask for certain certification, and they expect those certifications before the person joins. Some clients are happy to provide that. Definitely, technical certification for our candidates is important...It is very expensive to get, every module costs so much money, and if you fail you have to pay more.*

For less technical roles, such as sales and support, degrees are still highly regarded, although not essential. First of all, they provide a benchmark for recruitment, a selection criteria to reduce the number of resumes to be sorted through. For example, the HR Director from RAM explained that when you receive hundreds of resumes there has to be a way of screening them, and generally this will first be based on qualifications.

Further, a degree seems to make a statement about a person, and someone who has been able to get into university and who has been through that system of education will have certain desirable qualities. Here we can see that it is used as an indicator of potential. For example, The HR Manager from Expert IT noted of their internal recruitment process that:

*we do prefer that they have a degree, we find that it helps when they are preparing reports or even summaries for clients on candidates. They just have a better way of presenting and writing.*

For less technical roles a TAFE qualification would be more readily accepted. The perception of TAFE is that it is easier to get into, cheaper, and more hands on. Our respondent from Expert IT noted that the qualification required will depend on the role that they are applying for, so:

*if they are doing a PC support certificate and applying for a help desk role, that's fine*

## Impressions of the VET system and providers: Using what works for us

A lot of the learning that is going on is being initiated and run by the industry itself, independent of the national training system. As The HR Manager noted of RAM:

*we were one of the first companies to be in computers...so I think we have a very strong capability to teach people what they need (to work) with us*

When it comes to the Vocational Educational and Training (VET) system, there is a sense of uncertainty. Of course, everyone is familiar with Universities and Degrees. However, when it comes to TAFE, respondents were not quite so sure, and as for the nationally accredited 'Training Package' – "Huh? Who does that?" Further, neither the IT companies nor the recruitment agency HR Managers had any awareness of an availability of government funding for training.

When prompted, there were two main areas of feedback about the current education system in terms of their own awareness and experience. Firstly, more work experience and practical learning would improve the value of qualifications. This is consistent with other research on employer satisfaction (Fairweather 1999).

Our informant from Expert IT commented:

*It just needs to be a lot more hands on. A lot of it is very theoretical, and I know that you need to have a theoretical background, but if they are not getting any hands on experience they can read all they want, but our clients are not going to recognise that they have got their 2 degrees in computer science or their certificates or whatever.*

The Vice President of Curve also noted:

*it is essential to apply (the theory) through work experience*

Secondly, we heard about the importance of meeting industry needs and empowering people with the capacity for developing wisdom and forecasting future trends. The CEO of The Computer Society explained:

*I guess that is probably the message that comes out of any statistic, not only in this profession but others as well, is to meet the need of industry...If you are an employer in the IT industry, you really do need people who have the qualifications to understand what the market place is going to do in the next 5 years and how you are equipped and how your programs and your software is going to work. Do you need to put extra dollars into hardware? Do you need to do a lot of things, because they are huge decisions for businesses. So they are really after someone who is smart enough to be able to work all that out. You have really got to have the right people. That is the great message that we are getting.*

As our informants shared, employers will look at not only the qualification but also the place of study, the relevance of the elements studied, and the performance of the individual. Further, there is a sense that the fact the person was accepted into the university and able to complete the program makes a statement of commitment and potential.

Due to the rapid pace of change within the industry, employers need not only people who can apply a particular skill, but who can keep on progressing in their understanding and ability. Therefore their qualifications can be used as an indicator of such potential.

When we asked The HR Manager whether people are influenced by where someone has studied she admitted,

*I shouldn't say that it does, but it will, it always does. That is just a fact of life I think.*

All of our informants expressed the importance of education which is relevant and practical. Qualifications are therefore given meaning and value by those who issue them. Organisations want to be able to develop trust in the providers of education. Trustworthiness is essentially demonstrated by the relevance of the curriculum and the quality of both the teachers and the graduates. Again, it is shown here that employers are looking for potential, they are looking for people who are smart, they are looking for the 'right people'. The focus therefore is on the value and relevance of the learning for the individual and enterprise, as opposed to the place it holds in the national framework.

## Keeping up to date: The learning organisation

As mentioned, the rapid rate of change within the industry and the need to keep on top of things drives the strong commitment to training and development. All of the informants showed an obvious commitment to the training and development of their staff. The Vice President of Curve, explained that the importance of any training really lies in the end result for the company.

Regarding their self image, each informant described their company as a 'learning organisation'. Such a status seems to reflect not only the necessity of continual skills and knowledge upgrades, but also a commitment to professional development and a sense of responsibility to both clients and staff. Further, it is a reflection of the value placed on learning and development within this industry. It was revealed that the importance is placed not only on earning the title of 'learning organisation', but on actually being one. For example, The HR Manager from RAM responded to the question of whether he felt their organisation was a learning organisation in the following way:

*(we) don't try to **describe** ourselves as a learning organisation... when the learning is happening you've got a learning organisation.*

The emphasis is very much on the gaining of knowledge and skills which will help both individuals and organisations to grow. This being the case, qualifications which fit into the national framework become much less significant. It is not to say that these organisations expressed any sense of aversion toward the national system. Rather, there was simply a sense that they are ready and willing to take responsibility for their own learning and development in whatever way works for them.

## Promoting learning and excellence

The style and content of training provided within the IT sector varies enormously. There is in house training conducted by internal people who have specialised knowledge in a particular area. External providers may or may not be Registered Training Organisations depending on the qualification or credential required. Training may either be conducted on or off site. Training providers may be asked to customise the curriculum to ensure its relevance. Some formal types of certification are required for certain roles, for example Microsoft or Cisco, and will be conducted by a certified provider (which could be external or internal).

Some employees may take on a Degree, Graduate Diploma, Masters, or some other University based qualification which their employer may help to fund (as long as they pass). Curve sometimes enrolls people in a particular University subject to increase their skill in that area.

There is also an interest in University Graduate Programs. Curve have formed a relationship with a particular University, which allows them to offer input in terms of the curriculum. They then select the most outstanding students (candidates must average high distinctions) to participate in a company internship program. Our informant described the program as follows:

*They would come into the company and join one of our teams, either in testing, development, or research. They would be mentored by a senior (member of) staff. They would be allocated some scope of work they need to be producing and then the mentoring happens on a weekly basis. We found that has been very productive, some of them became permanent staff... That is the aim of doing it.*

Curve also offer some scholarships through this University, motivated by the company's need for people with specific skills. This shows that they are willing to take the initiative in creating the right conditions for the education of potential staff. The Vice President indicated a sense of disappointment that there were not more companies willing to play such a role.

Professional associations, such as the Computer Society, seek to address the learning and development issues of the IT industry. Further, the Computer Society sees themselves as acting as "the voice and guardian of standards and ethics for the computer profession". Members of the Computer Society must be qualified professionals. There are branches in every state and territory, and there are a wide range of activities and resources on offer, including courses, seminars, workshops, branch forums, special interest groups, and an internationally recognised publication. Members can participate in a program whereby attendance at various sessions accumulates points, which can eventually award them with the title of Practicing Computer

Professional (PCP). There is also a Computer Society Certification program which is an industry based, Masters level course.

The Computer Society has also established a foundation to encourage both private and public sponsorships of IT higher education and research projects. As the only national scholarship facilitator focused exclusively on the IT industry, the Computer Society foundation receives funding from IT companies, industry associations, Government bodies, individuals, and the Computer Society itself. Student recipients must be enrolled in an IT related undergraduate or postgraduate degree course at an Australian University that has been accredited by the Computer Society and must meet predefined criteria for merit, hardship, or be disadvantaged.

The Executive Director of the foundation, had the following to say:

*We are here to promote excellence and the skills to take the industry into the next decade and to make sure that the Universities deliver the skill base that industry needs. One of the things the foundation does is provide that channel, where we actually say to universities, we will not give you scholarships, you will not get recognised by the IT professional organisation in Australia, unless you put into place the following quality criteria. It really is an issue for business people the actual level of qualification...that they know that their professional software developers and programmers all have a degree from a reputable university, in that the course at that University really is applicable. Industry is not just looking at the qualification, it is looking at the skills within that qualification. From a national point of view there really has to be a continuing emphasis on the skilling of the workforce.*

## On-line learning

As could perhaps be predicted due to the nature of the industry, there is also a move toward on line learning. RAM have actually developed their own virtual University, an institution which is totally on line. This Virtual University has been developed in the USA. There is no formally recognised accreditation involved, however employees do receive some form of certification for completion of courses. The HR Manager showed some interest in the possibility of some kind of external recognition of these courses, or of perhaps developing a relationship with the TAFE system. Within this organisation, new employees will have particular courses which they will be required to complete over a set amount of time. Existing employees will also be directed to complete certain courses according to new developments and what is relevant to their role.

We also spoke with an employee of RAM who is based in Melbourne. This senior project leader works in data warehousing, an area within which it is essential to keep up to date. In his words:

*If you don't keep on top of it, you're screwed.*

At the moment, he is working seven days a week on a particular project. He has not undertaken a training course for at least a year, primarily because of lack of time. In relation to the online university, had made the following comments:

*It can be effective if you are using it internally, as in on line via the LAN. However, most of us work remotely, and dialling in at slow speed is not effective at all. Access is the issue. It will never replace the classroom because it will never replace the time where you remove yourself from work and dedicate yourself for a few days away from the work environment. The environment is not the optimum. It is better to be in the classroom where you can interact and throw around ideas. Humans like to interact! It depends on the situation, in some cases it is very effective, for example for technical skills, you can learn very quickly.*

## A changing world – the importance of IT literacy

An interesting issue which arose during our conversation with representatives from the Computer Society was the need for a basic level of IT skills for people in all industries and for

those entering university courses. The International Computer Drivers Licence (ICDL) Business Manager, shared the following:

*Employers are now identifying the need to set a benchmark for basic IT literacy within their organisations for the end users of computer technology... Similarly, I am working with a lot of Universities... Many say to me, go and ask an 18 year old undergraduate enrolled in economics or whatever it may be; Are you IT literate? Nine times out of ten that person will assure you that indeed they are IT literate, but what they really mean is that they can surf the web, they can download the latest MP3 player, they can play Quake on line. Monash for example have first year economics students who don't know how to use a spreadsheet. So kids are leaving school these days still without knowledge of basic business applications. Although they consider themselves to be IT savvy, they are not in terms of business needs.*

As a response to the need for a benchmark in basic computer skills, the Computer Society are promoting the ICDL, which is not so much a training course but rather a competency standard that is acknowledged through testing. The curriculum is available on the Web and tests are administered by registered test centres, which include high schools, TAFE colleges, and private training providers. Training modules are also now available on the TAFE Virtual Campus in Victoria. This is based on a European scheme and has also been introduced in the United States. The Computer Society believes that the ICDL is needed to drive the general level of competence within the Australian workforce and community, and to ensure that the nation is equipped to tackle new IT challenges. It is worthy to note that a 10 year old Sydney school girl is the world's youngest person to complete the ICDL!

## Conclusion

In summary, the key findings of this case study can be presented as follows:

### The industry context:

- Pressure of keeping up to date with knowledge and skills (driving training and development; making “lifelong learning” essential for professionals; creating “Learning Organisations”)
- State of the job market – saturation of graduates but high demand for specialist skills (driving high expectations when recruiting)

### The enterprise perspective:

- Strong commitment to training and development
- Expectations for qualifications and experience when recruiting (screening for potential)
- High value placed on University qualifications
- High value placed on knowledge
- Emphasis on acquiring skills, knowledge, and certification that is meaningful within the industry, as opposed to the National Training Framework.

### The perception of providers:

- Value of qualifications based on:
- Course Content
- Reputation of, and prior experience with, the provider
- Flexibility and willingness to customise where appropriate



Within this case study can be seen an important message about the significance of people, and the value of knowledge, creativity, foresight, and wisdom. These organisations reveal that there is a great value placed on continuous learning and education, on up to date knowledge and skills, and on potential and growth. Within this new economy we are seeing companies who are operating on a global scale. There is a demonstrated commitment to invest in whatever form of education and training best suits their needs. Such a commitment is based on both the pressure, and the desire, to continuously move onward and upward. Whether the National Training System can keep up with the pace of change and be able to offer a valuable service to the industry is yet to be seen.

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# Hospitality

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Tourism is a major sector of the Australian economy. Accommodation forms part of the services provided. The participant in this case study, 'Travellers' Village, manages serviced apartments on behalf of individual owners. Unlike resorts, hotels and similar types of tourist accommodation, this sector provides a limited service. Food and beverages, and entertainment, for instance, are not provided. The organization reports that providers of accredited training often fail to appreciate these differences. Casual and part time work, as another instance, are employment features in this industry, such that training may only extend to induction and informal on the job training. For 'Travellers' Village the key factors shaping their approaches to training and qualifications appears to be:

- The patterns of employment in the industry
- High levels of casual workers
- Limited scope for skills development

## A perspective from the hospitality industry: “We are an apartment building, not a hotel”

Prepared by Ray Townsend

Workplace Learning Initiatives Pty Ltd

## Introduction

Travellers' Village is a multi-storey accommodation resort situated in the centre of Australia's northern tropical/ tourist belt.

On arrival I was struck by the fact that the approach or entrance lacked the usual bars, bistros and palms that I expect to see in a resort. I was mistaken. The tag 'resort' is a misnomer.

The 'resort' is a collection of privately owned apartments, which are managed for the owners by this family owned business. So the entrance is as one would expect in these circumstances – private

The Business, currently employs over one hundred people across a number of sites. However most of these staff are casuals, young people working less than 15 hours per week along side school or tertiary study commitments and some older women. As casual employees they are not eligible for traineeships under the provisions of the Apprenticeship and Traineeship Training Program (ATTP).

The participants in this case study were Sandra, the Rooms Manager and Ellie, the Front Office Manager.

At this site there is a relatively small core of full -time staff and a substantial pool of casual staff.

Travellers Village is an apartment block, not a hotel. It is one of a number of such facilities in the area. Such apartments do not provide the usual hospitality attractions that might be expected in

more glitzy resorts and hotels. The apartments provide individual and family accommodation, for the holiday-tourist market and for business travellers.

The core activity for the staff, as described by Sandra, includes housekeeping, assisting guests, (front of house activities – bookings, room assistance and general customer service), portage etc. Many of the services normally associated with hotels: food and beverage preparation and service, room service, and so on are not supplied here.

Considerable staff time is also engaged in managing individual apartment refurbishments, which occur on a regular basis. The apartments are owned by individual and company investors, both local and overseas, who are usually absentees, hence the need for coordination of this activity. Investors need to minimise the time that apartments are 'off stream' and the managing agents must minimise the disruption to other guests in the resort.

This essential difference between Travellers' Village and hospitality businesses formed a basis for many of the training issues that were discussed.

## Recruitment

In recruiting, Sandra looks for people who have some interest in the jobs to be done. She does this by focussing on the training that people have already completed. She believes their participation in work-related training is a good indicator of their interest and enthusiasm. Most of all however, Sandra 'confesses',

*I am biased towards people who have worked their way up through the system. Nothing beats hands on experience. The system can never satisfy this.*

In allocating work tasks to her staff no differentiation is made between age/sex and task: for instance, between portage duties, front of house tasks and housekeeping.

## Why accredited training?

The majority of employees in this business are casual and as such do not participate in accredited training. However training for part time or permanent employees is conducted, where possible, through the ATTP Scheme, by a Registered Training Provider (RTO). At the time of our interviews there are six trainees at this site. Two are undertaking Certificates in Business Administration, the other four are undertaking Certificates in Hospitality Studies. Sandra, who is a qualified workplace trainer/assessor, is attempting to bring more of a systematic approach to the conduct of training, which 'has rolled along' in an unplanned sort of way. She comments that,

*Training is non-existent in this industry, that is, (the) housekeeping (industry).*

Casual employees receive their training informally and in-house because, as stated above, they do not qualify for traineeships given the small amount of work time allotted to them. This is not entirely satisfactory for Travellers' Village. The management of the business believe that some more formal training would be valuable because it helps to 'upgrade and improve skill levels' leading to 'improved employee standards and productivity'. There is a perception that training 'builds better morale' and most importantly, leads to 'better customer service'. There is also some perceived value in having a formal credential, as Ellie said, it is good

*to have the actual paper work to backup your hands on experience.*

Part time and full time staff also participate in informal in house training and off site formal training, however the bulk of formal training is done under the auspice of the ATTP Scheme as stated earlier.

## Choosing a provider

In choosing a training provider the business relies heavily upon the guidance of their New Apprenticeship Centre and on word of mouth referrals. Sandra continued

*Training providers were recommended to me by (the New Apprenticeship Centre (NAC)), I then looked at referrals and trainers qualifications and past experiences as well as flexibility of training hours for staff.*

## Service from TAFE

When asked about the formal training provided by the local TAFE provider Ellie was generally positive. She indicated that the VET systems is meeting the business needs - 'up to a point'. The 'modules these days have improved' she noted and there is 'more common sense' to balance the emphasis on theory. She noted that an ideal course would provide a blend of 'theory and practice'

Summing up, the overview was reasonably positive, however there were some concerns. Sandra was unhappy about the service.

*In most cases I was satisfied .... At one stage when our trainer was replaced the replacement was not suitable and my staff were not getting enough out of each training session so I requested he be replaced, which was granted.*

What was of particular concern, was the perception that the Industry Training Package did not adequately reflect the needs of her business. Sandra explained,

*Our industry is not reflected in hospitality modules*

She explained that skills and knowledge specifically related to the housekeeping operations of businesses such as 'Travellers' Village are not emphasised in the Training Package.

*The core of the training package is not relevant to our needs; it is not focussed on us. We are an apartment building, not a hotel.*

One of the consequences of this misalignment it is claimed, is that some aspects of the formal training provided to trainees are perceived to be irrelevant – making for difficult learning. As Sandra explained,

*The trainer would come in for two hours once per fortnight and they would have about two hours with them ... [but] some modules didn't seem relevant to what they were actually coming to work to do. So it was really a matter of trying to justify why you had to complete all these modules to get their grade two certificate. The ones that they could see were relevant were easy to get through, the ones that they couldn't see why on earth they were doing them [were difficult] ... when you're talking about housekeeping staff ... making it relevant was important*

Sandra made this point in relation to the business's aim of creating a multiskilled workforce.

## Perceived benefits of training

Despite these frustrations the management perceive value in training. Sandra would like to have 'more trainer qualified people on the job.' which is part of her strategy for improving training.. Ellie Chimed in:

*There is a link between training and productivity. We see increased confidence and better standards of work ... I would like to have more trainer qualified people on the job in order to improve the quality of the training.*

Both Ellie and Sandra were confident that the benefits of training were flowing through to the business. As Sandra said ,

*Having more competent and confident staff has a big effect on the standard of work and service and is a definite benefit to the business.*

Clearly, Travellers' Village could see the value in qualifications, in formal training, and felt that employees appreciated them as well:

*Yes they (the employees) are proud of their achievements and it shows in their attitude to their position.*

One of the continuing challenges is how to find the time to 'fit-in' training. Ellie felt that the approach of the training provider is important in optimising the value of training and minimising the negative impacts day to day operations of your business.

*If organised well and your provider is flexible it [the training delivery] should not effect the day to day running of your business.*

## A learning organisation?

Given the interest in learning and training, the question was asked, whether the company was a 'learning organisation' Sandra was clear that they were not,

*There's not enough emphasis placed on training ... [however, she argued, the company] is moving there, but we're not there yet. We have very small budgets.*

With this philosophy in mind the company has appointed a trainer and has been prepared to pay above award rates to have this person 'for consistency's sake'

## Government subsidies

When asked; What significance do Government subsidies and incentives play in your involvement in formal qualifications? Sandra responded,

*I would not have been able to provide the training for my staff if it had not been for the subsidies that were being paid to the company to help cover costs.*

As with other smaller businesses interviewed for this study, the availability of government support in the form of subsidies and incentives and the flexibility and responsiveness of training providers appear to be fundamental in developing the training culture at the enterprise level. In the case of Travellers' Village the large number of casual staff that do not qualify for traineeships and the attached benefits creates a continuing training challenge which is only partly addressed through the informal in-house on-the-job training strategies being adopted.

## Other needs

Another continuing training challenge identified during this study relates to management training. Ellie noted that the existing management training is,

*unstructured and is really determined by managers organising their own professional development.*

She felt that this strategy was not optimal for the business, or for the individuals involved.

She argued the need for more integrated management training in the Training Package.

*The training that takes place is theoretically based. An ideal course would combine theory and practice.*

What Sandra is referring to here is the way that management courses are developed from the training package. She would like to see training programs developed by RTOs, which situate the learning in the context of their housekeeping business.

## Summing up

Some of the statements in this case study demonstrate a tension in the system between what the system delivers compared to what the employer wants. Although the employer is reasonably happy, on closer examination there appears to be a great deal of room for a training provider to tailor and accredited program which meets the specific needs of this business. However there is a perception that the Training Package is a stumbling block, in that it does not fully accommodate the needs of Travellers' Village or the workers who undergo the training.

Summing up, Sandra was asked; If you could address the National Training System what would you say (succinctly)?

*Employers need a no nonsense system that can be implemented with little fuss. Paper work is probably on the high side for most employees. Casual staff are missing out because of the lack of subsidies, but they are a major part of the hospitality work force*