



When one door closes: VET's role in helping displaced workers find jobs



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NATIONAL CENTRE FOR VOCATIONAL EDUCATION RESEARCH

This *At a glance* brings together findings from research commissioned by the National Centre for Vocational Education Research (NCVER) that investigates the concept of skills transferability between declining and growing occupations. Key points highlighted at the national research forum 'When one door closes: VET's role in re-skilling displaced workers', hosted by NCVER in November 2015, are also addressed.

All the work presented in this *At a Glance* highlight the critical role vocational education and training (VET) can play in helping retrenched workers find new jobs. In particular, the research on skills transferability, undertaken by Dr Darryn Snell, Dr Victor Gekara and Dr Krystle Gatt, demonstrates the potential benefit cross-occupational skills transfer can have in mediating the impact of job loss. Here, cross-occupational skills transfer refers to situations where workers can use the skills from their current job to find work in a completely different job without the need for further significant upskilling or re-skilling.

HIGHLIGHTS

- Greater effort is required to help workers identify and understand their transferable skills in order to find alternative employment; this is a role that support workers can play.
- Improved knowledge of local labour markets can help to more accurately identify potential job opportunities, or areas for retraining displaced workers.
- Within the VET sector, an occupational cluster framework approach could be applied to training packages, which would enable units of competency to be more readily shared across occupations. In turn, it would allow for greater mobility between jobs.

INTRODUCTION

A door closes...

Changing economic conditions, brought about by factors such as fluctuations in financial markets, natural disasters and changes to the terms of trade, impact on the viability of industries. In some instances, it can result in company closures in turn leading to mass job loss.

Losing one's job, or the prospect of losing a job, is a major stressor for any individual. At such times, people generally take stock of their skills and expertise so that they can look for new employment with some confidence. However, some individuals may struggle to either identify the skills they have, and/or place those skills in another occupational context.

It is in these situations where vocational education and training may have a role.



DISPLACED WORKERS: WHERE ARE THEY?

The 2015 Australian Industry Report highlights that the 2014-15 financial year marked 24 years of consecutive economic growth, but that growth is slowing (Department of Industry, Innovation & Science 2015). For some sectors the slowing down has had a significant impact on jobs.

Motor vehicle manufacturing is widely recognised as a sector in decline in Australia with General Motors Holden, the Ford Motor Company of Australia and the Toyota Motor Corporation Australia all ceasing car manufacturing in Australia by 2017. Estimates of the total number of jobs lost and not created due to these closures have been put at just under 200 000 jobs nationally, indicating the significance of this manufacturing sector to Australia (Barbaro, Spoehr & National Institute of Economic and Industry Research 2014).

While these closures attract a lot of media interest due to the number of workers affected, there are other manufacturing sectors that have also suffered notable job losses in recent years such as the textile, leather, clothing and footwear manufacturing sector and the food product manufacturing sector (ABS 2015a). Other industries affected include information media and telecommunications, wholesale trade and retail trade (ABS 2015b).

On the other hand, the fastest growing industry is health care and social assistance (ABS 2015b). As highlighted at the forum however, the skills acquired and used in other industries or sectors, such as manufacturing, may not easily transfer to the health care and social assistance industry.

But not all doors are closed...

Declining industries contain a variety of occupations, and not all are necessarily at risk of diminishing along with the industry. Through their analysis of 2006 and 2011 Census data, Snell, Gekara & Gatt (2016) identified particular occupations that were either in decline or growing. They established significant job loss among livestock farmers, crop farm workers, sewing machinists and product assemblers, all within either the agriculture and forestry industry or manufacturing. However, the occupation to endure the most decline within this time period—in terms of actual jobs lost—was secretaries (-30 234), which is not within a declining industry (see table 1). Many functions previously performed by secretaries such as typing, filing and data entry are now either computerised or absorbed by individual workers as a part of their role.

Registered nurses, aged and disabled carers and child carers were some of the fastest growing occupations in Australia along with chefs, checkout operators and office cashiers, general sales assistants and fast food cooks. These results accord with research published by the Committee for Economic Development

Manufacturing, information media and telecommunications, wholesale and retail trade have all had notable job losses in recent years.

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of Australia in 2015 which found that 40% of jobs in Australia are likely to be highly susceptible to computerisation and automation in the near future. Durrant-Whyte et al. (2015) highlighted administration jobs and those in some services are particularly susceptible, whereas jobs in personal service areas, technical and creative industries and the professions are the least susceptible to computerisation and automation.

Table 1 Occupational growth and decline by skill levels, 2006, 2011

Occupation		Persons employed 2006	Persons employed 2011	Difference in persons employed 2006-11	% change 2006-11
Skill level 1	Registered nurses	172 565	206 916	34 351	19.9%
	Growing Accountants	123 373	138 298	14 925	12.1%
	ICT managers	29 964	42 451	12 487	41.7%
	Declining Mixed crop and livestock farmers	41 349	34 724	-6 625	-16.0%
	Livestock farmers	83 804	75 113	-8 691	-10.4%
Corporate services managers	21 804	7 365	-14 439	-66.2%	
Skill level 2	Contract, program and project administrators	83 902	104 658	20 756	24.7%
	Growing Office managers	92 274	108 230	15 956	17.3%
	Architectural, building and surveying technicians	34 601	49 236	14 635	42.3%
	Declining Electronic engineering draftspersons and technicians	5 253	4 569	-684	-13.0%
	Enrolled and mothercraft nurses	19 396	17 892	-1 504	-7.8%
Safety inspectors	5 844	3 365	-2 479	-42.4%	
Skill level 3	Electricians	90 242	110 713	20 471	22.7%
	Growing Chefs	44 552	57 613	13 061	29.3%
	Carpenters and joiners	87 032	98 249	11 217	12.9%
	Declining Telecommunications trades workers	19 128	16 709	-2 419	-12.6%
	Printers	15 312	12 498	-2 814	-18.4%
Secretaries	94 403	64 169	-30 234	-32.0%	
Skill level 4	Aged and disabled carers	77 413	108 215	30 802	39.8%
	Growing General clerks	206 292	236 382	30 090	14.6%
	Child carers	85 258	107 926	22 668	26.6%
	Declining Credit and loans officers	24 346	22 133	-2 213	-9.1%
	Sewing machinists	13 314	10 706	-2 608	-19.6%
Keyboard operators	52 923	48 910	-4 013	-7.6%	
Skill level 5	Checkout operators and office cashiers	95 681	110 904	15 223	15.9%
	Growing General sales assistants	442 894	456 914	14 020	3.2%
	Fast food cooks	25 092	32 178	7 086	28.2%
	Crop farm workers	25 540	19 855	-5 685	-22.3%
	Declining Shelf fillers	51 103	44 662	-6 441	-12.6%
Product assemblers	32 669	24 887	-7 782	-23.8%	

Source: ABS 2006, 2009 & 2011 in Snell, Gekara & Gatt 2016.

UNLOCKING DISPLACED WORKERS' SKILLS

A common response to industry restructuring and the impact on displaced workers is to focus on the re-skilling of workers. One approach is to provide displaced workers with the opportunity to receive accreditation for their current skills through recognition of prior learning (RPL). However, this approach may not appeal to workers as they perceive they are being accredited for skills that are becoming obsolete. Others find RPL to be a rather daunting or complex process so are less likely to engage with it (Snell, Gekara & Gatt 2016).

An alternative is to focus on the transferable skills of workers to help them find employment in other areas. Snell, Gekara & Gatt (2016) considered transferable skills to be those which encompassed 'soft' skills such as communication and team work as well as generic technical skills such as knowledge of workplace health and safety. Snell, Gekara & Gatt (2016) found that retrenched, or soon-to-be retrenched, workers do not have a good grasp of their transferable skills, particularly if they have been with the same employer for many years. Many individuals focus only on their technical skills when applying for jobs and do not give due consideration to the other soft skills they have developed. They often struggle to see that they may be able to use these skills in totally different occupations. Transition programs and jobactive providers could play a more active role in helping these workers to understand their transferable skills.

Undertaking a local labour market analysis or skills needs analysis would enable jobactive providers (and other agencies supporting displaced workers) to help workers decide which areas to train in (Callan & Bowman 2015). This is echoed by Snell, Gekara & Gatt (2016) who suggest that regular regional labour market analyses could:

- better identify viable job and career opportunities
- make more informed decisions about how best to approach RPL
- provide knowledge on where to retrain and upskill to deliver the best job outcomes.

Many individuals focus only on their technical skills when applying for jobs and do not give due consideration to the other soft skills they have developed.

VET can play a greater role in skills transferability through the improved sharing of units of competencies across qualifications.

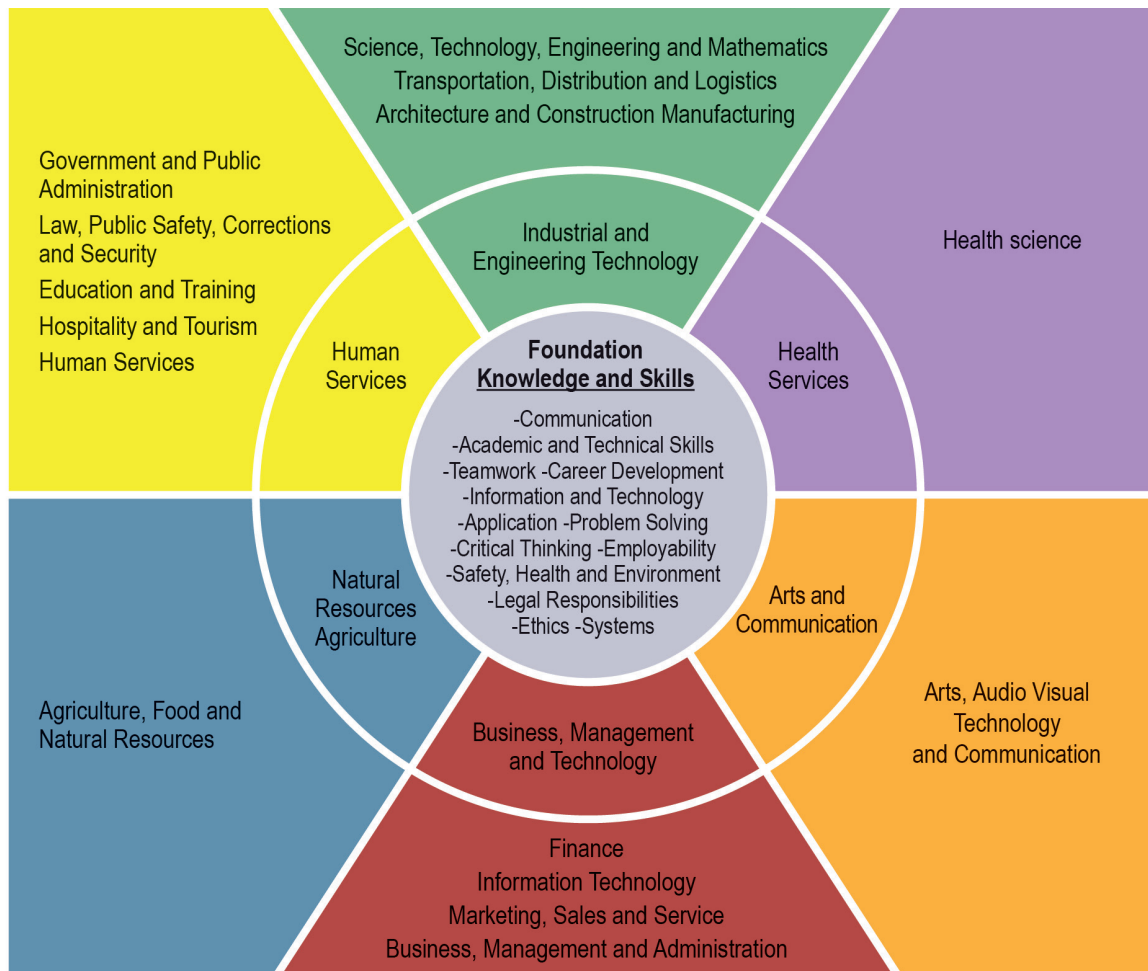
Skill sets versus qualifications

Many commentators would argue that any sort of training, such as the development of skill sets, is better than no training when looking for a job. However, Snell, Gekara & Gatt (2016) argue that the development of skills through in-house training, which is specific to the company, is of little value for workers who find themselves displaced. The development of skills in this manner decreases their ability to be transferred into other workplaces. In a labour market where qualifications are becoming increasingly important, undertaking formally recognised accredited training is far more beneficial for workers as it results in qualifications that are recognised nationally. Employers are more likely to be able to recognise the transferable skills of workers if they have formally recognised qualifications.

VET's role in skills transferability

In their research, Snell, Gekara & Gatt (2016) analysed the skills shared across units of competency in declining and growing occupations to see how transferable the skills were. They found that many skills, even those that are meant to be more generic, such as the employability skills embedded into training packages, were developed in an occupation-specific way that limits their transferability. One way to overcome this is to use an occupational cluster framework (see figure 1) to allow better mapping of skills across occupations. If occupations sharing similar skills, knowledge, tasks and attributes are classified into 'families' or 'clusters', such as in this framework, workers may find it easier to move between occupations within this skill cluster. It will also help to identify roles where a retrenched worker's skills will be of use. Another key benefit of an occupational cluster framework is that it will also improve sharing of unit of competencies across qualifications contributing to increased transition possibilities in the labour market.

Figure 1 Occupational clusters



Source: Jared (2008); O*Net website in Snell, Gekara & Gatt 2016.

An occupational cluster framework is similar in concept to vocational streams. Vocational streams involve occupations being grouped according to their shared knowledge, skills and practices, rather than on specific workplace tasks and roles, with the aim to promote a more adaptable and flexible workforce (Wheelahen, Buchanan & Yu 2015).

POLICY IMPLICATIONS FOR TRAINING AND SERVICES

Support workers could play a greater role in educating workers about their transferable skills.

So, what is needed to create more mobility between occupations?

Reconfiguring training packages

The work of Snell, Gekara & Gatt (2016) suggests that training packages could be reconfigured into clusters based on the occupational cluster framework. This will enable greater sharing of units of competencies across qualifications, which will encourage more transferability in the labour market. Another aspect of this will allow the mapping of how different occupations draw upon the skill sets.

While such a process may help increase cross-occupational mobility for workers in the future, it will not help workers who are currently displaced. What can be done now to improve their situation?

Increasing awareness of transferable skills

A common issue identified in Snell, Gekara & Gatt (2016) and the ‘*When one door closes*’ research forum, is the lack of understanding of transferable skills among workers. Many workers did not realise or appreciate the wider application of the array of ‘soft’ and generic technical skills they had acquired during their current employment, and instead focused on their specific technical skills when applying for new jobs. Support workers could play a greater role in educating workers about their transferable skills and helping them recognise how these skills can help them when finding alternative employment.

Improving knowledge of local labour markets

Both Callan & Bowman (2015) and Snell, Gekara & Gatt (2016) point to the need for improved local labour market analyses as part of worker transition programs. With greater knowledge of the local labour market conditions, career counsellors and support services staff can more accurately identify potential job opportunities or encourage retraining in growth areas for displaced workers.

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An *At a glance* is a synthesis of research focused on a particular topic of interest, drawing on information from various sources.

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