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Title:

HOW IS THE CHANGE IN GOVERNMENT POLICIES ON VOCATIONAL EDUCATION TRANSFORMING WORKPLACE TRAINING AND ASSESSMENT IN TRAINEESHIPS?

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In a time when skills shortages are in the forefront of Australia's Training Agenda this paper discusses initial findings from doctoral research into how the recent change in government policies on Vocational Education are transforming workplace learning and assessment for trainees. The Australian Labour government has identified that it must address current skills shortages in order to enable national prosperity and to avoid inflationary pressure that is likely to arise from unmet demand for skilled employees. This paper discusses how this change is impacting on current teaching practices for trainees; the benefits of the changes to the trainee's host employer and the repercussions for managing trainee learning in the NSW Traineeship System. Despite the skills shortage being a major problem for Australian industry, there is a large increase in traineeships *"individuals are spending more time and money on education and training than ever before"* however *"increasing numbers of workers report that their skills are not used by employers"*. (Buchanan 2006: p.6 and 10).

Workplace learning theories tend to describe workplace learning as formal, informal or a mix of the two (Malcolm, Hodkinson et al, 2003; Marsick and Watkins, 1990; Marsick and Volpe, 1999). The workplace is widely thought of as a constructivist learning environment where the trainee is responsible for, yet guided in their learning (Denzin and Lincoln, 2005). Simultaneously the workplace is also described as social constructionist, where the learning is a process and product of social interaction (Berger and Luckmann, 1967; Schwandt, 2000).

The perspectives presented in this paper are informed by initial findings from a mixed mode study into how the 'workplace' influences trainee learning and how trainees and other stakeholders view current practice in the NSW Traineeship System. Data was collected from two main sources: 1) a structured cross-section questionnaire for trainees, workplace supervisors and teacher/trainers from TAFE NSW [Public Provider - Registered Training Organisation (RTO)] 2) interviews from two case studies involving two different trainee workplaces (1 x private organization; 1 x public organization) selected from host employers recommended as providing high quality workplace experiences for their trainees.

Various perspectives on workplace learning methods have been proposed, as well as different perspectives on the concept of the 'learning organisation'. Looking at vocational education, Marsick and Watkins (1990) and Marsick and Volpe (1999) focus on the nature of informal learning activities inside the organization. The learning organizations represented in the two case studies of this research project involve manager/supervisor and trainees involved in participatory learning. Billet, (2004) proposes that you have to look at the workplace activities and interactions afforded to the learners by the organization in combination with how the learner decides to participate in those activities and interactions.

Today's workplace learning involves many competing perspectives. Malcolm, Hodkinson et al (2003, p318) "*...a recent trend whereby current audit cultures have significantly increased certain, more formalizing attributes of learning in a wide range of settings by increasing such formalizing attributes, the nature of the learning is significantly altered, sometimes in ways that run counter to the intention of those introducing the approaches*".

Over the last ten to fifteen years a significant amount of government funding has been diverted from Australia's public vocational education provider (TAFE) to encourage the growth of private providers including employer-based providers and community providers. The national system of industry-based training packages, including competency standards, emerged from the introduction of the National Training Reform Agenda in the early 1990s. The aims of this agenda include facilitating work-based learning as a legitimate alternative to conventional forms of institutional provision and to ensure that industry leads the vocational training system in terms of content and how training should be measured. As a result of this transformation there is now pressure on Vocational Education and Training (VET) to reduce delivery costs (time) and to increase teacher casualisation. This means that VET teachers now more than ever, need to develop strategies, for innovative pedagogic practices to deliver training in the new highly structured, increasingly contestable and complex, industry regulated and arguably contradictory educational environment.

In 2003, the South Australian report 'Skills for the Future' arose from high-level government inquiry into skills shortages. This report identified "*Much is made of current or impending skill shortages. Often it is contended that this reflects a failure on the part of the 'training system'. In fact, rarely is the training system to blame.*" (Govt S.A. p. 33). It appears that no evidence was put to The Inquiry about the 'training system' therefore investigation into the training system seems to be a reasonable 'next step'.

According to Australian Education International – the international arm of the Australian Government's, Department of Education, Employment and Workplace Relations (DEEWR) - both Training Package qualifications and accredited courses are assessed against a range of specified competency standards. While private providers have been quick to map these competency standards to specific workplace systems and give recognition and gap training where required, evidence obtained from observation and interviews with head

teachers from TAFE indicate that they are struggling to manage the challenge of how to deliver pedagogically sound, competency based training for trainees within significantly reduced budgetary constraints.

In this environment, Industry sees increased knowledge, highly skilled performance and problem solving as central to its workers contribution to workplace productivity. In achieving these goals transfer of learning is central (Cornford, 2005). However, it is estimated that only about 10% of training is effectively transferred to the workplace (Detterman, 1993). This may be cause for concern as much of the training today *is* being carried out in the workplace (Billet, 1996; Eraut, 2004)

The government is trying to increase workplace productivity and national economic performance in a time of globalization and international competition (Fuller, Munroe and Rainbird, 2004). At the same time, Australia's labour force is changing and as a result of the government encouraging new private training providers we now have an increasingly competitive educational marketplace. New regulatory pressures and technological changes are transforming the innovation and business industries (DEST, 2006). These technological changes have been the single most important driver of change in the innovation and business industries. Workforce training is required every time a new technology (hardware, software or systems) is introduced into the workplace, and ongoing training is needed to ensure that technologies are used effectively (DEST 2006). Additionally small businesses need strong business and financial management and planning skills to compete successfully. At the same time consumers are becoming increasingly discriminating and demanding (DEST 2006). As a result, 'training' must also address the need for higher-level customer service skills (ie. more flexible and innovative approaches to dealing with customers).

The business of traineeships has developed within a political environment that is effectively driving traditional Vocational Education and Training (VET) in Australia out of the classroom and into the workplace, (Independent Pricing & Regulatory Tribunal Report – IPART- Dec 2006). The IPART *Report* raises concerns of the capacity of training to cater for changing demands over the next 20 years. It also identifies significant skill gaps that highlight a possible tension between the expectations of the Traineeship Contract, training provided by the Registered Training Organization (RTO), and the Host Employers' capacity to fulfil their contractual obligations of providing opportunities to practice in the workplace.

These concerns were repeated by: the *Review of Australian Higher Education Final Report*, (Bradley, 2008). The Bradley Report notes that ...the government intention to halve the proportion of Australians without Certificate III level qualifications... will lead to a greater than anticipated increase in the number of people requiring training and potentially entering into traineeships.

The existing NSW VET traineeship system does not appear to be solving the skills shortage problem and it is in this environment that new innovative approaches are being implemented. *"Building the NSW skills base requires*

more finely tuned responses and is no longer about 'running courses'. Offering training without fully understanding economic, business and workforce dynamics can potentially result in skill wastage and misplaced public and private investment" (TAFE NSW discussion paper "Doing Business in the 21st Century: Proposals for Consultation p.3)

Impact of the change on current teaching practices for Business Services Trainees in terms of workforce development and associated skill ecosystems

According to the Australian Government Skills Information Website (2009). The term 'skill' generally refers to the task or group of tasks required to be performed to a specific level of competency and that often use motor functions are typically require manipulation of equipment. When applied to individuals the term 'skill' usually refers to knowledge or ability, both of which are recognized as being acquired through education, training and experience at work. One of the major problems describing skill is the distinction frequently made between technical skills and employability skills. Whereas *competency* refers to a skill performed to a specific standard under specific conditions. The Business Services Training Package BSB07 contains courses with specified standards ie units of competence that must be successfully completed in order for the learner to achieve Australian Qualification Training Framework (AQTF) accreditation. Herein lies the conflict between traditional teaching and workplace training and assessment.

While there are several advantages of competency-based training (CBT), there are also some disadvantages specifically as to whether competencies are suitably contextualized. For example CBT is only as effective as the process used to identify the competencies. Unless attention is given to identification of the essential job skills required by the host employer, then the resulting training/recognition is likely to be ineffective. Another issue arises when the RTO neglects to design materials and training approaches to be used as part of a CBT approach. The case study research is currently investigating issues surrounding how the RTO selects appropriate competencies in order to develop successful individual Learning/Training Plans in line with the job skills required by the host employer. Learning material is currently being reviewed to ensure compatibility with workplace requirements and the selected units of competence.

The implication of more learning expected to take place in the workplace at first may appear to leave the inexperienced trainee in a situation where they initially need constant close supervision and where the teacher/trainer feels disengaged from the training process. The research, however, revealed that when a trainee *is* empowered to undertake/learn their job autonomously, provided they are given clear, written guidelines in the form of policies and procedures or standard operating procedures (SOPs) the trainee learns very quickly. The research findings confirm that in some workplaces, transfer of responsibility for decision making from supervisor/teacher to learner *can* be achieved by providing guided direct and authentic evaluative experiences for students McDonald and Boud (2003) cite Sadler (1989). However, this is not so in all workplaces. Data collected in this research from trainee interviews indicate that some trainees

appear to operate in workplace cultures where learning is incidental to the day-to-day business operations; not structured; not supported and often without opportunity for trainees to raise issues with their host employer or registered training organization. Black and William (1998) p.54 (p.21) “...a student who automatically follows the diagnostic prescription of a teacher without understanding of its purpose or orientation will not learn”. Trainee discontent/confusion appears to exist where the employer neglects to give the trainee either clear written: job descriptions; policies and procedures or standard operating procedures (SOPs).

Generally workforce development focuses on specific skill ecosystems that encourage RTO's to partner with businesses in delivering training that is specific to the business partner's (organization) needs. One of the case studies in this research project illustrates a skill ecosystem partnership where a national security firm with over 300 employees currently has 60+ staff enrolled as trainees in a wide range of connected service areas such as; security; customer contact; business administration; risk management and front line management. The organization believes training will improve employment outcomes and workplace practices; up-skill employees plus improve prospects for the organisation in winning future tenders (by having a trained AQF certified workforce) “...workforce development extends beyond the development of workers through training, to the development of the jobs in which workers are employed.” (IPART p 45).

The public provider was selected as the preferred training organization because the employer had a pre-existing well-established relationship with the TAFE business unit. Interviews with various case study stakeholders reveal that due to government imposed budget cuts (brought about by changes in government policies) TAFE is experiencing difficulties in accessing and providing training to these trainees. The elements contributing to this difficulty include: government imposed budgetary constraints that impact on time available for training and time available to research, develop and maintain up-to-date resources including assessment material; access to online technology; physical access to the trainees; employer expectation of trainees receiving RPL/RCC versus TAFE NSW expectation of delivering pedagogically sound training for a course. These constraints are discussed below:

- ☒ **Budgetary constraints:** The flow-on effect of educational budget cuts to TAFE NSW has lead to changed resources being made available for on the job training, this includes rationalization of staff, changed budgets and abolition of curriculum in 2005. These budget cuts appear to be having an adverse impact on many aspects of the traineeship system specifically sound pedagogical practices. Economic decisions are being made at the expense of education. Currently, there is no solution. Case study interviews with head teachers indicate:

“...for the last two years our section has been singled out by management in front of other head teachers because we were over, in our budget...” and... we don't ever want to have to go through that again!”

...the up front fee (usually paid by the trainee – sometimes by the employer) goes into TAFE consolidated revenue; of the total fee received from the government for training new entrant trainees, the TAFE business unit takes 20% leaving a balance of approximately \$1400 – \$1600 for the teaching section per trainee, (depending the course offered). When you divide this by the current charge-out rate (about \$104.00 per person per hour), you can see why we only have about 12 – 16 hours over the entire 1 year traineeship contract in which to train each trainee...

...the \$1400-\$1600 is received incrementally as progress payments: 25% at commencement of training; 25% at mid-point and 50% on completion. So with the high trainee attrition rate we do not get paid the final 50% for the students who drop out, despite having invested time and resources into their initial training. (ABS indicates 52% of trainees withdraw from their traineeship)

- ☒ **Access to online technology:** It has been suggested that online learning may help to alleviate the reduced number of hours available for teaching, however TAFE does not have the funds available to develop new products required to keep abreast of the constant rapid changes in technology. Instead, TAFE NSW relies on the goodwill of its teachers to work in their own time... an extract from a teacher response to the open questions at end of the survey instrument indicates:

... In order to work within the reduced time available I am expected to develop and assist with validation of assessments, e-facilitate (via email and Moodle) and develop and maintain e-learning products. Additionally I am supposed to develop and deliver online learning programs... When you combine this with a technical system where the trainees can't log on to our resource material from their workplace or home... this is just too hard to execute and many of my colleagues are not at all interested in teaching in the workplace. We end up with a single figure hourly rate.

- ☒ Additionally many Certificate III trainees either do not initially have the skills required to interface solely with online technology; do not have a computer at home and or do not have access to the broadband network and may not be given the opportunity to access a computer to do their traineeship activities in the workplace. This is an ethical dilemma and could in part contribute to the high attrition rate amongst trainees (discussed later in this paper). Trainee responses to open questions at the end of the survey instrument include:

"... I am not given the chance to practice my TAFE work in my job".

"... The computer we have at home is old and I can't open my work. It's not much better at work, I don't have a computer".

"...at work I am always busy doing my job and don't have time to do my course work. Once I was allowed after work, but I couldn't get on to the learning site, so I gave up."

- ☒ **Access to trainees:** because of the variety of job roles (some trainees are office managers, others supervisors in charge of teams of workers while others are static staff who have vastly different but regular timetabled schedules to meet,

as a result many trainees have limited availability. Responses from teacher feedback from case study interviews and open questions at the end of the survey instrument state:

“...this workplace is pro-active in training their staff in their own systems and policies and procedures, however it’s very hard to access the trainees for their coursework as they have a 24/7, 7 day a week rotating roster, many are in remote areas, many work 2 jobs. These staff are not paid to come to training sessions they have to do it in their own time”

“... when I go to train in the workplace the supervisor keeps working and does not stop to discuss the trainee. The trainee is still expected to answer the phone while I am at their workplace – unless the supervisor can get away to do it for them – this doesn’t happen very often”.

☒ *Employer expectation of RPL/RCC versus TAFE expectation of delivering pedagogically sound course training. Today most host employers want their trainees to receive recognition for skills acquired through work activities, for example: dealing with conflict, dealing with customers and clients and communicating in the workplace. This is a reasonable expectation, because the trainees (on a daily basis) must comply with organizational Standard Operating Procedures (SOPS); organizational policies and procedures and OHS legislation. Most employers acknowledge that some training is also required for skill acquisition in area such as: e-learning; keyboard speed and accuracy; and for the acquisition of technological skills such as word processing; spreadsheets database etc...*

While TAFE provides some RPL, it appears to prefer training for course/unit content. In contrast, private providers are quick to understand that they need to complete each trainee as quickly and effectively as possible to ensure positive cash flow. Methods used include the use of RPL/RCC wherever possible and fast-tracking students through skill acquisition. Interviews with Apprenticeship Centre representatives from 2 separate organizations stated that they believe public education is losing market share because it is not keeping up with the private providers who not only use RPL but also offer incentives to the trainees... *most of the good ones (private RTOS’s) offer money or rewards to the trainees if they complete their course (eg i-phones or small lap-top computers).* When the issue of incentives was discussed with a TAFE CEO the response was: *yes we are aware of that, but we are not going to play that game... we are delivering education here and we will stay with that...*

Feedback from head teachers also indicate TAFE is exponentially losing market share to private providers, they feel that deregulation of RTO’s has resulted in fierce competition from other training providers. When the head teachers were asked about this deregulation, they responded:

...private RTO’s have a much lower charge out rate and lower overheads, which costs them less to provide training and assessment.

...since 2007 our market share has sharply declined, the private RTO’s provide training at a more competitive price than we can today.

...the host employer receives government incentives of over \$4,000 for new entrant trainees, with the new 2011 Training Plan re-written to stipulate the employer must now provide 3 hours per week to for the trainee to practice their coursework – I do not know who or how this will be monitored...

Benefits of deregulation to host employers include the ability to choose either the public RTO or a private one. Do they choose TAFE in order to ensure trainees are being 'taught' using sound pedagogical teaching practices, or do they choose a private provider who will facilitate timely course completion via RPL or Recognition of Current Competencies (RCC ie use skills the trainee is using in the workplace as evidence for the recognition process)

Most host employers are concerned with the efficient running of their businesses to maximise profit, they are not particularly interested in government policy, as their aim is for their trainee to be provided with the skills needed to do their job. The employer view being that the trainee needs to be trained via the traineeship and that legally the RTO is accountable for certification under the Australian Qualifications Framework (AQF). Employer Perspectives on the Skilling in Australia Report (2006) suggest that workplaces require constant up-skilling and re-skilling and that "we recognize that the training system in Australia has undergone significant change in recent years... but too often the system in its supporting arrangements are letting businesses down because they are focused on the wrong outcomes". The employer report recognizes that the current skills shortage will have a potentially devastating impact on the Australian economy unless the training of current and future workers becomes the joint responsibility for employers, government and individuals. With funding cuts resulting in less time for RTO's to deliver training; 'education' the new commodity has fast become an economic 'cash cow' for business savvy, private providers, while the public RTO is left wondering why trainee numbers are decreasing together with ASH targets.

Teacher feedback from data collected in the survey instrument and case study interviews identifies major concern around the reduced number of hours available for delivery of training and assessment to trainees. As mentioned previously teachers are now allocated only 12 hours to deliver training and assessment for a full year's traineeship.

...I have to leave work/activities/resources for the trainee to do in their own time, however to compound the problem, the trainee is not given the time at work to complete these activities.

...on top of the one hour every 6 weeks that is allocated for each on-job trainee I spend a minimum of an additional ½ hour per student per week on emails, phone calls and administration tasks (unclaimed of course). When the 12 – 16 hours allocated to the trainee is up... there are to be no more visits and we (the teachers) usually use our own time. The workplace does not seem to support the trainee by releasing them to do their coursework – they can't afford the downtime.

Teachers claim that this has serious implications for skill acquisition and sound pedagogy. "...with trainers becoming consultants to firms, designing training

solutions for different working contexts, as well as acting as career advisors/counselors to learners in the workplace a facilitators of learning. The workplace will increasingly become the site of learning, while classroom-based learning will change as technology-based learning options are blended with face-to-face delivery” (IPART p 51). This indicates a need for new thinking and a new way of doing business for Registered Training Organisations (RTO’s).

Repercussions for managing trainee learning in the NSW Traineeship System

One of the major concerns across many sections is the apprenticeship/traineeship completion rate. According to the Australian Bureau of Statistics (ABS, 2010) less than half of those who begin apprenticeships do not complete. Group Training Australia and TAFE Directors Australia agree that non-completions are a major problem. The report from the Apprenticeships for the 21st Century Expert Panel released at the end of February 2011, warns *“The community rightly has an expectation that Australian government investment in the apprenticeship system will deliver results and value for money”*. The report addresses poor apprentice/trainee wages, and the high employer incentives paid by the government to help reduce apprentice/trainee attrition. Currently there are concerns that the apprenticeship bonuses for employers are too high, however, a report in July 2010 from the Australian Industry Group, called for the Kickstart program (traineeship incentive program) to be made permanent and for employer incentives generally to be redesigned and enhanced.

In 2010 the federal government rushed through the National VET Regulator Bill and accompanying transitional legislation. This legislation fails to mention the current regulatory framework for registered training organizations (RTO’s) the Australian Quality Training Framework (AQTF). Despite this omission the new national regulator is hoping to assume sole regulatory responsibility of RTO’s in NSW, the ACT and the Northern Territory in 2011. The Australian Education Union (AEU) believe the evolution of the framework should be “made explicit” in the bill so standards can be subjected to committee review and parliamentary debate. However the ministerial council meetings are behind closed doors where there is no public scrutiny on how the decisions are made, or what informs the decisions. Another major issue is the failure to specify that RTO’s have education and training as a primary or significant purpose – which is required for all colleges with international students under changes made to the Education Services for Overseas Students Act, 11 months ago. Because the standards actually specified in the bill are inadequate, the union believes that this implies the government requires financial viability but not educational viability (Ross, 2011).

The AEU and TAFE Directors Australia (TDA) told a Senate committee that the standards proposed by the national VET regular (NVR) under the government’s current legislation were inadequate for the regulatory system it was supposed to oversee... they said the legislation must have education as a primary or significant purpose; should be subject to prudential regulatory control and act in the best interests of their students rather than their shareholders. They should also be required to demonstrate they have adequate facilities and staff and must

be obliged to assess providers' teaching and training "and not just whether the outcomes can be checked off against the accreditation standard".

The changes in government policies on Vocational Education is having a ripple effect on workplace training and assessment for trainees in NSW, with the waves of change impacting on current and future teaching practices and trainee skill acquisition. Further discussion is warranted to determine whether or not these changes benefit industry or ease the national skills shortage.

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