‘Generic skills’ in a changing work environment

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This chapter is based on case study research in four geographic regions and focuses on four companies and their associated training providers and smaller companies. Each of the key or central companies was recognised in the 1990s as committed to training and had changed their work organisation to become more team-based and requiring multi-skilling of staff. Since that time, each of these companies has undergone significant changes due to new ownership, mergers and takeovers. As a result, the size of the workforce has decreased and their commitment to training has been reduced.

The research found that generic skills were perceived quite differently by employees and management and by learners and providers. There was a perception by employers that the skills could not be learnt or taught and this has implications for how providers promote their importance and how employers create environments in which they can be fostered and developed.

For these reasons (and others that will become apparent during the progress of this chapter) these four organisations are unwilling to be identified and, consequently, the other enterprises or training providers who make up the case studies are also identified by pseudonyms which disguise the organisations, their locations and details of the industry sectors in which they operate. The value of the case studies lies in the lessons they have in relation to the skills people develop at work and the role of work, organisation and structure in encouraging the development of these skills. Ultimately the identity of the company is not important.

Introduction

This study was developed in the context of increasing controversy over the nature and demand for generic skills. The research takes as its starting point the belief that the relationship between generic skills and employability is more complex than has been previously assumed. A contributing factor to the ambiguous standing of generic skills is that the concept of ‘generic skills’ is one which has different meanings in different and complex contexts and at different times. In this sense it is, in part, a political term which seeks to convey a
particular position being held by one of the key policy actors in the VET arena—employers or training providers or learners.

The study was organised around a number of central research questions. These are:

❖ What are the meanings associated with the concept of ‘generic skills’ by each of employers, training providers or learners?
❖ How do each of these use ‘generic skills’ in their ongoing work?
❖ What negotiations occur explicitly or implicitly between employers, training providers or learners about ‘generic skills’ and how do these affect the use and understanding of the concept by the players?
❖ What was the position and use of ‘generic skills’ in a small sample of enterprises which were representative of companies in the 1990s, companies which made a conscious commitment to team work and training of the workforce, and how are those concepts used and valued today within those organisations?
❖ What links (if any) exist between learners, training providers and employers involved in raising levels of generic skills.

Thus the research was intended to offer insights into the conditions that foster effective links between all players interested in this area and to identify the barriers that need to be removed or addressed to improve these linkages in the future.

However, as discussed below, the reality in some contemporary workplaces is more complex and fragmented than had been anticipated.

The research approach

The research design involved extensive reliance on qualitative research methods since these methods yield very rich insights into the processes and dynamics of the issues being researched. A major problem however, concerns just how representative such experiences are in reaching more general conclusions. To address this issue we chose to use the strategy of selecting case study sites recognised for work practices which were team-based and involved extensive consultation within the workplace. Analysis of such workplaces will give insights into how employer behaviour may evolve in the future. More importantly, if exemplars of good practice are less advanced in the ‘leading’ establishments, we can make judgements about particular issues at the workplace level more generally. Thus, if the understandings of generic skills are vague in leading-edge employers, we can reasonably assume they are not clearly understood amongst employers more generally.
Our units of analysis are workplaces, learners and vocational education and training (VET) providers operating in four geographic regions, each with a leading enterprise which played a key role in that region.

The study analysed the implementation and longer-term outcomes of workplace-based training programs directed at improving generic skills. It considered their effectiveness, how they are defined and how they evolved. Subsequent analysis then explored how generic skills are defined and developed and involved institutes of technical and further education (TAFE), or a school or other providers operating locally. The study of VET providers focused on areas and issues most relevant to the operations of the central enterprise.

The final unit of data collection were learners living and/or working in the region and were contacted through the workplaces and providers involved in the study.

Manufacturing A

Background

This case concerns a manufacturing organisation located in a growing regional area. The organisation was originally recognised for a range of practices which had resulted from significant restructuring of both its workforce and manufacturing processes to achieve jobs that provided for a skills-based career path and which would enable the organisation to engage in ‘continuous improvement’. The introduction of computer-based systems provided the opportunity for the workforce to focus on more challenging tasks and to acquire the higher-level skills which the implementation of these systems required.

Of particular importance to this study, however, was the extent to which training systems were developed as a key means of underpinning and supporting these organisational directions. The organisation employed full-time training staff and operated its own in-house training facility. For this reason it was recognised as being unique within its industry sector and was often seen as a model to which other enterprises should aspire. Employer and employee representatives from the organisation assumed leadership positions in the relevant industry training body.

Impact of takeovers

Subsequently, however, the organisation became subject to a number of takeovers until, finally, it was taken over by a large organisation whose experience, until that time, had been in a completely different industry sector.
The managers and supervisors all agreed that the early company takeovers had not had a significant impact on the training culture. However, this was not the case with the final takeover. One manager described the new management as having a different approach, one more typical of the sector from which they came. The approach was short-term and members of the senior management appeared to be only interested in the immediate production results and were described as ‘Macquarie Street stockbrokers’ who did not understand the value of longer-term strategies.

The result is that many of the education and training initiatives introduced in the 1990s are no longer operating. Indeed, most of the work organisation practices adopted at that time have also been abandoned.

Base-level employees and trainees work in teams which are expected to manage themselves with minimal supervision, a legacy of the organisational changes implemented during the 1990s. Employees receive detailed work instructions every morning. While the managers felt that the teams could support a learning process, the reality was that, because each operator worked from their own set of instructions and the work was repetitive (in effect a small production line), little learning opportunity was in fact provided.

As a result of the new technologies, the competencies for each job appear to be limited, especially in terms of knowledge. One trainee claimed that he was shown how to do one major task ‘in five minutes’ and that learning the new machine which carries out the bulk of the work requires ‘five minutes demonstration, then practice for 3–4 days’. Trainees have had limited experience of jobs other than those they are currently doing, and were keen to avoid being placed in jobs they saw as more arduous. Job rotation was not common.

In the past, training was driven by the state manager who strongly supported competency-based training because of recognition of existing competencies and ‘modularisation’. However, he now regards the system as ‘bogged down by bureaucracy’ and he ceased delivering accredited training some years ago, regarding it as ‘the greatest joke out’. He was unaware of the new industry training package and does not use TAFE because ‘they do not offer what’s needed’. Training is now conducted in house on a one-to-one basis.

The central organisation in this case sources much of its raw material from another manufacturer of a similar size located at a considerable distance away but within the same state. This second manufacturer is much more actively involved in training provision and has continued with many of the workplace and training reforms introduced in the early 1990s. This company is not itself a registered training organisation but is working closely with its industry body to introduce new and existing worker traineeships under the training package. The manager emphasised that the promotion of the traineeships must not be in terms of cost savings. Employers are offered financial incentives to take on trainees and this manager believed that this was a flawed strategy, commenting that the training effort ‘will bog down’ if it is presented in these terms.
Both organisations employ significant numbers of staff for whom English is not their first language. One of the organisations was an active user of workplace English language and literacy (WELL) programs to assist its workforce, but has dropped those entirely and no longer places any great emphasis on English proficiency. Its supplier, however, is making considerable use of these programs to provide training in a range of matters to staff at all levels in the organisation.

The central organisation in this case study had no strong relationship with any VET providers, especially as it was not in a strong recruiting phase during the period of this research project. However, the local secondary school system, in conjunction with community providers was actively engaged in targeting school leavers who were bound for work of similar level and type to that available in the enterprise under study. Accordingly, these providers were included in this case study.

Services A

Background

The central organisation in this case was a branch office of a large, multinational organisation operating in a key services area. The office studied had a total staff of approximately 100 who were employed in a range of administrative and specialist functions relating to the direct sale of services and products. Most of the staff had received the bulk of their training through company in-house or industry training programs but most felt that their real learning had occurred on the job.

Since the 1990s when the company made a name for itself as being committed to training, the company has undergone an almost continuous series of changes in its ownership. Indeed, since the original study, it has experienced two takeovers, three mergers and four other changes in its ownership arrangements. These have had a significant impact on the office, its staffing and its modes of operation.

In the 1990s, the organisation was in a growth phase and expanding its global operations; however, the climate for this industry became increasingly competitive and profit margins on products declined throughout the 1990s as this organisation and its competitors fought for market share. The frequency of changes in ownership reflected this increasingly tight and competitive market as smaller operations were subsumed by larger ones. Increasingly, the strategic focus of such organisations became fixed on the macro-operations of the organisation. The organisation is now part of a global multi-sector organisation and senior management is often rotated across specialist sectors.
Impact of changes in ownership

One major effect of the numerous changes in ownership has been no new recruitment for some time and the office now is about half the size it was in the 1990s. Moreover, during this period of downsizing, the office has experienced a series of changes in its reporting lines which has meant the ‘survivors’ (as they call themselves) have been able to have considerable control over their own working arrangements.

In the early-to-mid 1990s, the office was restructured according to the concept of multi-functional teams, with each team being expected to market, sell and support the full range of products and services provided by the organisation. This was never well accepted by the staff who had, in the main, developed their expertise around particular families of products/services and they found the transition both difficult and, as one put it ‘a waste of my expertise’. As the downsizing began and management became absorbed by the politics of the various mergers and takeovers, the staff took matters into their own hands. Quietly over the years, the teams have been reorganised so that they are no longer multi-functional but a series of specialist units taking responsibility for particular product/service groups.

The groups, too, have taken on responsibility for their own ‘training’. This is not, of course, formal, as the organisation does not provide any training now for its staff beyond that which is required by legislation. Instead the staff have created a range of informal strategies (often out of office hours) by which product knowledge and ‘survival skills’ are shared. The group in this office are now highly motivated to cooperate and collaborate. They are proud of their shared expertise and, despite some current difficulties, including more recently, significant problems for the industry worldwide, they are doing well and there is no indication that they will experience further turbulence in the near future.

The branch office works closely with two related organisations within the same industry. One of these is a small specialist organisation which provides market intelligence on the basis of which Services A tailors or adjusts its products or, in some cases, chooses to develop new products. The second organisation is one through which Services A processes much of its cash flow. Originally part of the same organisation, it was spun off as a separate company during one of the ownership changes.

The small specialist organisation does not have a high turnover of staff but, when new staff are required, it relies on recruiting people from its competitors who are already known to management. Typically these recruits have one or more degrees but it is their experience and ‘nous’ that is most sought after. The organisation doesn’t provide any formal training but the staff meet regularly to review their activities and these meetings are seen as important learning opportunities.

The second organisation has a fairly high staff turnover and recruits its staff primarily from amongst school leavers, and recently has been recruiting...
increasingly from amongst those who’ve completed relevant traineeships. The organisation established a formal induction program, which is followed by a 2 to 3-month period of mentoring from a more experienced staff member. The company doesn’t feel the need for training beyond that.

None of these organisations has any formal relationship with a VET provider; however, two TAFE institutes lie within reasonable distance of the second associated organisation and some of their recent recruits have completed traineeships there. Learners and teachers at these institutes contributed to the case study.

Manufacturing B

Background

The central organisation in this case is one site of a large multi-site manufacturing organisation involved in the production of components. Established in the 1960s, the organisation supplies most of the major end-users operating in Australia. The organisation has over 250 employees at this site, but this case study will focus on the production workers (<100).

The organisation was one of the many which, in the early 1990s, adopted the new metal and engineering standards and introduced a competency-based system of job classifications. Around the same time, the organisational structure was changed to a customer-focused, team-based approach organised around a lean manufacturing regime.

Since that time, the operational climate of the industry has changed considerably and the organisation has adjusted its processes and structure accordingly. In particular, the focus of this plant has shifted from one where its products supplied a known and stable market, to one in which its core products are no longer in demand at the previous levels and where its market is much less certain and consequently is subject to considerable fluctuation.

Impact of market changes on training practices

The impact of these market changes has been that the firm has reorganised its manufacturing, with parts of its operation being relocated to another plant and the staff at the current plant being reduced by two-thirds. As well, the team-based approach has been abandoned and has been replaced by more traditional line-management arrangements.

Despite the introduction of the competency standards and the availability of formal qualifications for production workers, the company has retained most of its training in house to be undertaken informally on the job. Today, the primary focus of training is associated with a job rotation regime in which production workers are rotated amongst different positions every few months. This training
is focused on providing them with the specific skills required to do the new
tasks into which they have been rotated.

The organisation is currently not recruiting for this plant but has used a
nearby TAFE institute to provide training in some new technologies being
introduced. Teachers and learners at this institute were interviewed as part of
this case study.

Services B

Background

The central organisation in this case is a large workplace owned as part of a
chain of related organisations. Since the 1990s the ownership of this
organisation has changed and this has brought many changes.

In the 1990s one of the strengths of the organisation was its history and
culture of training. The organisation was described as ‘very people-focused
towards clients and staff’ and it was common for line staff to undergo regular
training, including weekend team-building activities. The company invested
heavily in training of all employees, with training being pushed as a priority
from senior management.

Another key feature of the organisation in the 1990s was a flat management
structure with a strong internal labour market. A significant characteristic of the
staff profile was the abolition of occupational classifications and the
introduction of categorised levels of employment from level 1 (basic service
workers) to level 4 (supervisors). Employees were expected to perform all
duties within their level (lateral rotations).

Impact of new ownership

In the context of a very competitive market, new owners recently took over the
business. Consequently, the operation is far more budget-conscious than had
been the case previously. Since the takeover all management staff have been
replaced. The management structure is now more hierarchical and work
organisation has returned to an occupation-based job structure rather than
category- or level-based structure. Although there is still a strong internal labour
market, neither vertical nor lateral job rotation is being practised. The business
now operates with just over 200 staff (around 25% fewer than in 1996), around
half of whom are full-time permanent employees. There is a continuous
demand for new employees at base level but the organisation has difficulty
finding ‘the right people’. One of the barriers to recruiting new staff members to
level 1 and 2 positions cited is the influx of newly created certificates, diplomas
and degrees from both public and private institutions. There is an expectation
amongst graduates from these courses that they will ‘walk into a management position’ rather than start at a level 1 or level 2 position.

The organisation continues to provide considerable formal training and sees this as an important component of its operations. Currently all new employees undergo an orientation program and then are ‘buddied’ with an experienced staff member in that position. The organisation is currently developing a modular system of training and it is expected that all staff will undertake the training. However, at the moment, the focus of the organisation is on the transformation to the ‘new culture’ and the introduction of new administrative and accounting systems.

Key issues

Many of the substantial and important findings of this study relate more closely to the complexity of making judgements about enterprises and the impact of changes in ownership and structure in general than they are explicitly about ‘generic skills’. The experiences of the four central organisations where takeovers and amalgamations have prevailed have not enabled them to consolidate and develop their workplace training practices. Rather, the commitment to training and development of the workforce has fallen away in the face of economic pressures and the uncertainties resulting from the vagaries of the marketplace. Moreover, the exigencies of the modern marketplace have meant that the limited training that occurs is very specific and does not reflect any priority for generic skills.

Nevertheless, it is important to focus first on the principal findings relating to generic skills and how they are understood and implemented by enterprises, learners and providers.

Understanding ‘generic skills’

In consultations with the groups the researchers drew on Kearns (2001) and his clarification of generic skills. Kearns clusters the generic skills according to figure 1.

Employers, training providers and learners in this present study understood the concept of ‘generic’ or broadbased’ skills in very different ways. These are summarised in table 1. This is consistent with different understandings reported in the literature.

Moreover, within the enterprises studied, different levels of staff were found to have very different understandings about ‘generic skills’ (table 2).
Figure 1: Clusters of key generic skills

![Clusters of key generic skills diagram]

- The interpersonal (or social) cluster with underpinning personal attributes and values e.g. emotional intelligence, self understanding
- The cognitive cluster with underpinning personal attributes e.g. willingness to learn positive attitude to change & complexity mastery of mental models

Source: Kearns 2001

Table 1: Different ways of understanding ‘generic skills’

<table>
<thead>
<tr>
<th>Group</th>
<th>Understanding, practices and value</th>
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<tbody>
<tr>
<td>Employers</td>
<td>Typically expressed positive views as to their value and importance but were, as a rule, not so able to demonstrate how, in practical terms, they reflected that valuation. Specifically, they:</td>
</tr>
<tr>
<td></td>
<td>❖ agreed that all aspects identified by Kearns were important to them</td>
</tr>
<tr>
<td></td>
<td>❖ expected employees to possess such skills (often at point of recruitment)</td>
</tr>
<tr>
<td></td>
<td>❖ had no active process to develop them</td>
</tr>
<tr>
<td></td>
<td>❖ held mixed views as to whether or not all or most of the components of generic skills could be learnt or taught</td>
</tr>
<tr>
<td>Learners</td>
<td>❖ In general, did not see them as critical, especially by comparison with technical skills</td>
</tr>
<tr>
<td></td>
<td>❖ Did not believe many (most) of the skills identified by Kearns were learnable</td>
</tr>
<tr>
<td>Providers</td>
<td>❖ Thought they were of great importance</td>
</tr>
<tr>
<td></td>
<td>❖ Believed that they could be taught</td>
</tr>
</tbody>
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Table 2: Differing expectations within enterprises

<table>
<thead>
<tr>
<th>Group</th>
<th>Understanding</th>
</tr>
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<tbody>
<tr>
<td>Executives</td>
<td>Believed that they must be held by all employees</td>
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<tr>
<td>Middle management</td>
<td>Felt that it was desirable to develop such skills but thought many were innate attributes that, at best, limited the ability of individuals to acquire them</td>
</tr>
<tr>
<td>Employees</td>
<td>Didn't believe that they were important in practice</td>
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</table>
The issue of the extent to which many of the components of generic skills identified by Kearns were seen to be unlearnable was an especially significant finding. Amongst both learners and many in management, the view was that ‘you either have them or you don’t’. Consequently, the generic attributes were factors which managers took into account at selection but did not feature prominently in their thinking about workplace learning or training. Amongst learners, many indicated that they didn’t see these as important outcomes of learning because there was little they could do to change their capabilities.

It was clear in all four case studies that generic skills were being developed within these workplace. However, they were not often being developed in any way that was intentional or recognised as such. Indeed in one organisation, Services A, the generic skills acquired by the employees and most readily identifiable were those which the company would be unlikely to want to be developed. Principally, these skills were developed to protect the interests of the employees rather than to further the interests of the company.

In general, the managers interviewed were clear that developing generic skills was, at best, a second-order priority except in those cases where (as in Services B) the skills were core technical requirements of the job. In tight financial circumstances where any training was unlikely to attract senior management support, attention to generic skills was, as one manager put it, ‘simply not on’. Importantly, this view was strongest where the management also took the position that it was primarily the responsibility of the employees to maintain their own employability skills. In these cases, the firms saw themselves as having no role in developing these skills.

Some important issues that arise from these case studies

Firstly, it is clear that enterprises can change very dramatically over time in their commitment to, and attitudes towards, training. In the main, these changes are ones over which the vocational education and training system can have little influence. In the case of the four central organisations studied, forces in their external environment had significantly impacted on their operational capacity and culture in ways which reshaped the place of training within their strategies and priorities.

It is particularly important to observe that, in different ways, each of the organisations had replaced its skills management system with an approach largely based on an implicit strategy of utilising and capitalising on its remaining workforce rather than on a training approach which sought to develop the skills in newly recruited workers. As well, there was a refocusing in most of the organisations towards a more specific, technical skill set rather than a significant interest in broad-based, transferable skills. In the one case where this remained a focus, it was largely a consequence of the importance of
interpersonal skills to the nature of the organisation’s business. Even that organisation had abandoned its earlier emphasis on multiskilling.

A recent Norwegian study (Skule & Reichborn 2002) has highlighted the fact that the primary influences on the amount and kind of learning that occurs in organisations are external to the organisation itself and reflect its operating environment. A similar point was made in an earlier Australian study (Field 1997).

Secondly, there are lessons from our work to be learnt about the ways in which research with enterprises needs to be conducted. Our initial approaches to enterprises were broad and open-ended and, when we sought their responses to Kearns’ groups of generic skills, their responses indicated ready agreement that all of those were important. However, when we pursued this initial response, requesting examples and details, these were not forthcoming. There is a strong tendency for respondents in these kinds of contexts to say what they think they should, rather than reflect what their actual priorities are. Moreover, it was clear that many based their initial responses on what they thought ought to be happening in their organisations. Many were surprised to some degree when they realised that a gap existed between what was generally said and thought and what their practices implied.

This experience strongly indicates that it is unsatisfactory—and potentially misleading—to rely too heavily on responses not supported by more extensive confirmatory data on the everyday realities of organisations.

Finally, this research suggests that if ‘generic skills’ are to be promoted, a critical issue to be addressed is the view that they are innate and unteachable. Sufficient of our respondents indicated a belief of this kind to suggest that such views are likely to be widely held. For some, this meant that the extent to which formal training could modify behaviours was small, for others no change at all was likely. If this is a widely held perception, then it is clearly going to be a difficult task for providers—institutional or workplace—to create the sort of climate conducive to learning these kinds of skills.

References


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