Industry Engagement Models

Matching expectations of industry and RTOs

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A collaboration between:

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Introduction

- Presentation Context (Greg)
- Domestic Perspective (Greg)
  - Tensions between RTO and enterprise needs
  - Competency alignment to AQF outcomes – an alternate view
  - RTO-Enterprise partnering models – an overview
- International Perspective (Rebecca)
  - Model of strategic engagement of Australian VET
  - Global engagement models – RTOs
- Key questions for the future and Close (Rebecca)
# Tensions between RTO and Enterprise Needs

## Tensions Between a RTO Focus and an Enterprise Need

<table>
<thead>
<tr>
<th>RTO Focus</th>
<th>National Training Packages</th>
<th>How/Does the RTO meet these ‘competency’ requirements?</th>
</tr>
</thead>
<tbody>
<tr>
<td>(qualifications and units of competence)</td>
<td>↓ ↓ ↓ Qualifications and Units of Competence ↓ ↓ ↓</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>disconnect</th>
<th>Match in Focus and Need</th>
<th>disconnect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training Package UoC not required but can be ‘Added Value’</td>
<td>↑ ↑ ↑ Enterprise TP Competency Needs ↑ ↑ ↑</td>
<td>Enterprise Specific Competencies Required for Specific Roles but not in any UoC</td>
</tr>
</tbody>
</table>

| Enterprise Focus | (standard operating procedures, skill s critical tasks, site specific requirements) |

Source: ProVoc Australia Pty Ltd: McMillan, 2010)
Competency Assessment (eg)
1. Supervisor proposes competency achieved - signs-off Log Book
2. Superintendent confirms competency achieved - signs-off Log book
3. Qualified Assessor undertakes on-job assessment - validates competence and signs-off Log Book

Safe Worker
- Compulsory Induction
- Enterprise Context

Developing a Competent Worker
- On-Job Functions
- Graduated Supervision
- Assessment to Job Requirements
- Assessment to Location Requirements

Learner Guides, Workbooks, Practical Assessments

SOPs, SCTs, Permit to Work, Licenses etc

Position Descriptions and Competency Profiles

Variables
- Competitive Labour Market
- Limited Pool of Labour
- Varied knowledge, skills and experience in the Industry Sector
- Reputation of sector and enterprise

Industry Credentialled
With Australian Vocational Qualification

Alignment to Australian Qualifications Framework [AQF]

Alignment to Australian Quality Training Framework [AQTF]
## RTO-Enterprise Partnering Models (overview)

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Enterprise</th>
<th>RTO</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td>Identifies need for Training</td>
<td>Controls timing of training</td>
<td>RTO specialist at providing training and assessment (core business)</td>
<td>Enterprise has less control over training and quality</td>
</tr>
<tr>
<td></td>
<td>Supports individual attendance at RTO by employees OR</td>
<td>Controls context of training</td>
<td>Expertise in meeting AQTF compliance standards</td>
<td>Difficulty for RTO to provide ‘context’</td>
</tr>
<tr>
<td></td>
<td>Contracts with RTOs for a range training assessment services</td>
<td>Controls quality of training</td>
<td>Enterprise has less control over timing and quality</td>
<td>Difficult for RTO to provide outcomes for Enterprise competence (ie: non-aligned to AQF)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accesses full funding from Government (if any)</td>
<td>Enterprise pays full cost of training with no or little off-set; less control over costs</td>
<td></td>
</tr>
<tr>
<td><strong>B</strong></td>
<td>Establishes in-house Training unit with trainers and Assessors for core Enterprise Training</td>
<td>Controls timing and quality of training done outside of Enterprise in-house Trainers</td>
<td>Enterprise has greater control over training, quality and contextualised training</td>
<td>RTO maintains dominant contractor/partner relationship (funds and cost)</td>
</tr>
<tr>
<td></td>
<td>Partners with RTO to Access government /funds</td>
<td>Provides Co-Provider to Enterprise for in-house training and assessment done by Ent.</td>
<td>RTO holds requirements to meet AQTF compliance standards</td>
<td>Still dependent upon third party RTO for AQTF compliance</td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>As with Relationship B plus</td>
<td>As with Relationship B</td>
<td>Establishes Australian contextualised quality assurance standards within Enterprise competency assurance activities</td>
<td>Still dependent upon third party RTO for AQTF compliance</td>
</tr>
<tr>
<td></td>
<td>Enterprise aligns operating practices to AQTF conditions and standards</td>
<td></td>
<td>Starts to shift the relationship with RTO’s so that Enterprise has the dominant position and the RTO provides a range of services (ie: issues results)</td>
<td></td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Fully Implemented/Requires RTO as Q.A. Assurer Only</td>
<td>RTO as QA assurer</td>
<td>Enterprise has total control over full range of training and assessment activities</td>
<td>Ongoing cost of Q.A. Assurance through RTO (controllable through contract arrangements)</td>
</tr>
<tr>
<td><strong>E</strong></td>
<td>Establishes an enterprise RTO</td>
<td></td>
<td></td>
<td>Will still need some partner RTOs for specialist areas</td>
</tr>
</tbody>
</table>

**Source:** Greg McMillan
The global context

- 1200
- 105 in 66
- $50,000
- 70,000
- 19%
- 0

Source: Rebecca Hall
### Framework – Global Engagement

**Clients**

Partner Governments | Provincial Governments | World Bank | Asian Development Bank  
AusAID | Multinational Corporations | State Owned Enterprises | Industry Associations  
Chambers of Commerce | International Labour Organisation | UNESCO  
Colleges and Providers | Australian Managing Contractors

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#### National (Government) | State (Government) | Providers | Peak Bodies | VET System
---|---|---|---|---
AEI (NO) | QLD | 58 TAFEs | ACPET | TVET Australia  
AEI Offshore Network | NSW | 4000 RTOs | TDA | NCVER  
DEEWR | VIC |  | ERTOA | AQF Council  
AusAID | NT |  | ACCI | ISC  
Austrade | WA |  | Ai Group | Skills Australia

Source: Rebecca Hall
Global Engagement Models RTOs

Client
- Driven by:
  - Cost of training
  - Access to training
  - Quality assurance
  - Local regulation
  - Marketing edge
  - Productivity & performance

RTO
- Driven by:
  - Price of training
  - Commercial return
  - AQTF compliance
  - Competitive advantage
  - Global engagement

- Inbound student program
- Outbound student program
- Transnational delivery
- Staff exchange and professional development
- Offshore industry partnerships
- Aid and development/technical assistance
- Conferences and events
- Alumni relations
- Working holiday and internship programs
- Pre-migration assessment/gap training

Source: Rebecca Hall
Industry engagement matters, both domestically and internationally

Many existing industry engagement models are RTO centric, influenced by funding and compliance

Viability and survivability – depends on ability to meet the needs of industry

Do we need a new paradigm?

What does it look like?
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