Skills transfer, re-skilling and training of older workers in response to industry restructuring

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Context

- Industry restructuring involving job losses is an enduring feature of the Australian economy and is expected to continue to occur at pace.

- Today “the dislocated worker group” (International Labour Organisation, 2009) or “involuntary career change group” (Dooley, 2001) is a growing segment of labour forces in many countries with more globalisation and increased competition.

- The Australian Workforce and Productivity Agency (2014) concludes that there are few programs that target the needs of vulnerable groups of less skilled older workers.

- In the absence of effective responses, many older displaced workers will add to unemployment numbers or retire by default when they fail to find new employment.
Our research questions

Q1. When faced with industry restructuring, what is the range of personal, organisational, community and governmental factors (i.e. both enablers and barriers) that are linked to successful skills transfer, re-skilling and training for older workers?

Q2. What best practices, including new strategies around skills transfer, re-skilling and the role of training, need to be followed so that the older Australian employees, their organisations and communities, will experience the most positive outcomes from industry restructuring in the future?
Method

Literature review, to international level
The displaced worker group is a growing segment in the workforces of many countries with more globalisation and increased competition. (Output- Literature Review Support Document, October 2014)

Four case studies (in manufacturing)
To examine what strategies were put in place in various locations and industries to help older workers to overcome or respond to job loss (Output- Case Studies Support Document, May 2015)

Final report, with working model
(Output – Draft Final report, 1 June 2015 - Final Report forthcoming)
Literature review to identify guidelines

• **Successful skills transfer, re-skilling and training** sits within a large range of other actions to ensure the best new job outcomes for displaced workers

• **Engage them early in programs** that are holistic and tailored to their characteristics and full range of needs

• **Seek regional responses** - many older workers want to stay in their region to maintain local ties and family commitments. There is a need for regional jobs creation initiatives
Guidelines (Cont.)

• **Offer up-front screening, assessment and early career exploration** – they need early information to help guide their choices prior to any training to ensure that the program is right for the individual.

• **Recognise and manage age-related stereotyping** - Bias against workers over 50 is prevalent.

• **Design age-inclusive training** - highly experiential, practical and filling gaps in their existing knowledge and skills.
Guidelines (Cont.)

• **Ensure foundation training** is included – current reading, writing and mathematics skills may be insufficient in finding a new job

• **Offer accelerated training** - displaced older workers can face financial pressures to complete their training as rapidly as possible (Recognised Prior Learning)

• **Provide job search services** with training – but keep them accountable for building their own network of contacts

• **Collaboration** between training providers and career guidance counsellors and employment services, employers and industry and personal services agencies
The most successful training programs are provided when institutions partner to ensure their participants receive upfront career counselling assistance, then training in skills that are in demand, in courses in fields of study that are relevant to the jobs available in the market, and with follow up assistance with job search.
Four case studies

Manufacturing focus because:

• Job losses have been a feature in this industry for some time and are expected to continue

• Manufacturing is one of our largest industries with nearly one million workers (Manufacturing Skills Australia, 2014)

• Nearly half of manufacturing workers do not hold post-school qualifications

• Growing number of announcements about current and future closures/restructuring (Holden, Toyota, Ford, BP, Qantas BlueScope Steel) that will result in job losses in city and regional areas
Four case studies

Examined responses to industry restructuring using interviews (N=52) to develop our in-depth cases for:

1. Hunter region NSW
2. Outer metropolitan Adelaide, SA
3. Greater Geelong region Vic
4. State of Tasmania

Across the four sites, three types of programs were being used to support displaced older workers:

1. Large firm and associated supplier worker transition programs
2. General open access transition programs for any displaced worker
3. Customised initiatives for older (typically male) displaced workers
## Case studies – large firm programs

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<tr>
<th>Region</th>
<th>Large firm and supplier programs</th>
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| Hunter NSW   | BHP Steelworks early intervention Pathways Program  
               The MineHunter (naval shipping) program |
| Adelaide     | Mitsubishi, Bridgestone and Clipsol  
               GMH and Suppliers Automotive Workers in Transition Program |
| Geelong      | Ford and Suppliers Worker Transition Program |
| Tasmania     | ForestWorks Workers Assistance Service ACL Bearings |
Features of large firm programs

- Information session – also for emotional support ("like falling off a cliff")

- Career consultation – regarded as a ‘must-do’ not just a ‘nice to have’ early step. Career plans but with a plan A & B

- RPL process whilst workers still in the current workplace

- Vocational course guidance then training - Driven by the needs of the older worker rather than by the available training programs

- Employment assistance – resume development, reporting on transferable skills in the cover letter, active job searching, interview coaching
Evaluations of large firm programs

• A surprising lack of comprehensive longer term evaluations of these large firm programs that are typically heavily funded by State and Federal Governments

• Often evaluations (possibly unfunded) by academic researchers and student research theses

• When evaluated (e.g. BHP, Mitsubishi) positive outcomes around the percentages getting new jobs (BHP Pathways – 90% employer or re-training; Forestworks (Tasmania) – 85% gained employment)
# Case studies – Open access programs

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<th>Region</th>
<th>Open access programs for any displaced worker</th>
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| Hunter NSW   | Pathways Employment Services  
Rapid Response Teams  
Jobs in the Hunter website  
Jobs Network  
Regional Strategic Strategic Procurement |
| Adelaide     | The Jobs Network  
Our Jobs Plan |
| Geelong      | Geelong Workforce Development Centre  
Geelong Careers website  
Regional Data Bases  
Jobs Network  
Job Creation Projects |
| Tasmania     | Rapid Response Skills Initiatives  
Rural Alive and Well (RAW)  
The Jobs Network  
West Coast East Working Group for New Job Creation |
Features of open access programs

- **Rapid response initiatives** - Gathering intelligence around pending company closures; working collaboratively in the event of business closures; facilitating access to services by coordinated inter-agency approaches; identifying new jobs emerging in a region and the skills required; and monitoring and evaluation using regional data bases.

- **One stop venues** - with age appropriate experts in career counselling, training, job search and attainment.

- **Associated regional jobs growth initiatives** - job creation occurring in parallel with the above ‘capacity building’ work.
Evaluations of open access

• Program coordinators and older displaced workers report that mature workers often cannot afford to pay for training. They are in the hands of the various state VET systems regarding their eligibility for subsidised training.

• Jobs Networks - Many displaced workers interviewed had found the agencies of the network to be less personable and not fully appreciative of their issues around tailored support.

• Our displaced workers were not relying totally on available services. All 15 displaced workers interviewed had realised they must use their own initiative and networks as well.
## Case studies – Customised programs

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<th>Region</th>
<th>Customised initiatives for older displaced male workers</th>
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| Hunter    | New industry taster programs  
Life skills courses                                      |
| Adelaide  | DOME                                                                                      |
| Geelong   | Growth industries showcasing  
Specific industry taster courses  
Jobs clubs  
Volunteering                                      |
| Tasmania  | Words @ Work  
Ready set go                                                                         |
Features of customised initiatives

Dedicated one stop service - DOME (Don’t Overlook Mature-Aged Employees, Adelaide

- Pre-training stage - industry taster programs
- Training stage - life skills courses
- Post training –‘job clubs’, volunteering towards winning a job
- Across all stages – a range of support services to build resilience, from venues such as men’s sheds, Rural Alive and Well (RAW) outreach, union headquarters, Salvation Army and jobs clubs

“When guys lose their jobs, when their sense of self-worth is taken from them. There is an element of guilt and shame. Consequently, they often lose confidence and suffer from a mental health issue. These men need to be supported and valued, and the only way to do this is to have physical contact with them. Someone to talk to them and say this is not your fault.”
Working model to assist displaced older workers

Key principles

• Early intervention as it takes displaced older workers time to make future plans and to execute them

• Provide “age and experience appropriate advisors” who can connect with/respect older workers

• Awareness of low levels of basic and/or computer literacy among lower skilled older workers

• Awareness of the health risks due to the unstable life circumstances linked to job displacement

• Effective partnering by key agencies to provide a holistic response
Stage 1 - Pre-training: Advice, career planning, screening

**Key practices**
*Provide information early on all support services and how and when they can access them*
*Give information about local labour market opportunities*
*Showcase local growth industry sectors*
*Offer specific new industry taster programs*
*Provide access to career advisors and exploration and assessment tools*
*Assess their existing skills where possible while they are still employed through an expert facilitated approach and include skills obtained through other life activities*
*Help workers to identify transferable skills and complete recognition of prior learning assessments*
*Advise on training courses that help prepare for new jobs*
*Help workers prepare a personal transition plan based on the above*

**Mechanisms for executing the practices**
*Worker transition co-ordinators/specialist career advisors/skills recognition experts*
*Rapid response teams*
*One stop worker transition and development centres*
*Industry groups for showcasing*
*Taster programs linked to site visits and information about careers in those industries*
Stage 2 - Training: Design/delivery of age-inclusive training

Key practices

* Screen prior to training to ensure the program is right for the worker and the worker is capable of handling the content of the training
* Modify training to acknowledge workers’ life and work experiences
* Provide ample time to learn with good levels of support and feedback
* Allow own-age group learning at their own pace with flexible instruction
* Use training in groups to promote learning together and support
* Use highly experiential approaches
* Provide extra assistance to those with low literacy and numeracy skills through life skills courses
* Include practical skills around job search, resume writing, networking and interviewing

Mechanisms for executing the practices

* Registered training organisations involve the workers in training design and development to ensure appropriate customisation around content and delivery
Stage 3 - Post training: Employment assistance, monitoring

Key practices

*Provide job search assistance via the internet
*Help workers with resume writing that highlights transferable skills
*Coach workers in job interview techniques and self-marketing
*Encourage use of volunteering as a step to winning a job
*Support workers to relocate to other areas where job opportunities exist
*Undertake job creation initiatives to expand local job opportunities
*Encourage workers to engage with each other/human service professionals to build their resilience
*Monitor displaced workers progress (e.g. number of contacts workers make, whether contacts are in a position to provide job-related information)
*Measure success in terms of how many get a new job and what displaced workers regard as a good job
*Promote stories that illustrate successful outcomes to motivate others

Mechanisms for executing the practices

*Local workshops/career days/site visits to firms/regional data bases to show case current job opportunities
*Job clubs and other social events to keep workers engaged and motivated
*Regional retrenched worker data bases for monitoring and evaluation purposes
When funds are tight

The identified top priority strategies to promote include:

• early engagement to connect workers to support services

• one-on-one future life planning sessions to ensure the worker’s needs drive the assistance provided

• training in age-appropriate and customised ways to reduce the time required to be spent

• RPL

• job resume and job interview preparation that helps to promote identification of transferable skills to new jobs

• facilitating direct contact with potential new employers
Conclusions

• There is an urgent need to investigate the actual levels of training resources that are available to displaced older workers from small and medium firms compared to those who are more likely to be supported by Government interventions when large firms close.

• It is not fully understood how the training needs of displaced workers from large, medium and small firms might be similar or indeed very different.

• More evaluations are needed of programs funded by Governments and industry to assist displaced older workers.