

Reform of Vocational Education

Establishment of Workforce Development Councils

Summary Report for Tertiary Education Commission (TEC)

October 2019

Background

As part of the implementation of the Reform of Vocational Education (RoVE), one of the initial priorities is the establishment of the Workforce Development Councils (WDCs).

The Minister has been very firm in his conviction that these new WDCs are to be industry-led. To support the establishment, there are a number of considerations where the TEC will be seeking industry feedback, and which will require extensive industry engagement and consultation over the next 12-18 months as the WDCs are established and become operational.

The TEC are currently seeking industry feedback on two key critical areas:

- Coverage – the Minister has indicated that there will be between 4-7 WDCs (compared with 11 ITOs currently) – what is the optimum number of WDCs, and what should their respective coverage be?
- Governance – what models of governance are most appropriate to ensure the success of these new WDCs, and how should such governance be established (appointed)?

TEC will be using this industry feedback to make a recommendation to the Minister in November, after which the Minister will make a final determination. These decisions are critical to advancing the next steps for the establishment of the WDC's.

Careerforce Stakeholder Engagement

To support TEC in formulating their recommendations to the Minister, and to augment the wider TEC engagement, Careerforce undertook an extensive engagement exercise across its stakeholders and employers:

- Five face-to-face workshops (each with a TEC presence):
 - Wellington (Mike Woods) – 23 participants
 - Auckland (Gillian Dudgeon) - 21 participants
 - Hamilton (Gillian Dudgeon) - 18 participants
 - Christchurch (Gillian Dudgeon) - 15 participants
 - Dunedin (Jane Duncan) – 20 participants
- National webinar (Mike Woods) – 15 participants
- National survey – 113 respondents (*refer to separate results report*)

There was a very broad cross-section of Careerforce’s current coverage represented at the workshops including aged care, home & community support, mental health, cleaning, social services and disability. Additionally, there was strong participation from schools and from the public health sector (DHB, Ministry of Health, Oranga Tamariki and MSD).

Key Themes (emerging from the stakeholder engagement):

1. Complexities of the health sector must be carefully understood and considered
2. Recognition within final WDC groupings of the breadth, size and challenges facing the health and wellbeing workforce.
3. Very strong preference for 7 WDC option (and concerns expressed about a 4 WDC option)
4. No universal preference for which WDC grouping cleaning and urban pest management could sit; either health-based or service-based WDC
5. Universal preference for skills-aligned groupings/coverage
6. A mix of skills / industry-based board member makeup (and acknowledgement that an entirely industry-based board could prove problematic)
7. Board appointment – strong support for an industry-based stakeholder council determining a board, but also an openness to at least partial Ministerial appointment

Stakeholder Engagement Workshops

At each of the workshops, TEC provided a RoVE overview / update, which set the scene to seek feedback on the following questions:

Coverage

- *Do you have a preference from the grouping models suggested? Or would you propose a different model?*
- *What do you think of WDCs sharing some functions – such as a centralised TEC advice function, and/or data intelligence function?*
- *What is really important to you when it comes to potential WDC groupings?*
- *Should WDC coverage be skills aligned, as compared with vertically aligned (setting / organisation)?*

Feedback from each session is included below:

Do you have a preference from the grouping models suggested? Or would you propose a different model?

Results:

- Six WDCs – 1
- Seven WDCs – 63
 - * Limit to wider health
 - * But exclude public services
 - * Gives a broader choice / channel for secondary schools pathways
- Four WDCs – 8
 - * But with circle/hub in the middle for generic topics (e.g. HR, Communications, H&S)
- No Strong Preference – 2

NB: Includes some multiple votes

General comments:

Connection across WDCs – need some way of shared skills across industries– not duplicated (2)

Four WDC option too limited; voices would be lost

WDCs need to be able to grow and develop excellence across the industry in an equitable way

Centralised Literacy and Numeracy skills (to be completed at the beginning of qualifications)
All WDCs should create courses with sections / modules that can transfer across qualifications, e.g. a 'legobrick' qualification
Four would create a powerhouse organisation
Be careful about public services not swamping health and community services (within the context of the 7 option)
Public Service should be put into a services grouping (2)
Include education and health related roles and also Justice

What do you think of WDCs sharing some functions – such as a centralised TEC advice function, and/or data intelligence function??

Results:

- **Yes – 41**
- **Conditional Yes (“yes, but...” – 26**
 - * *Share data not advice – 9*
 - * *Not advisory*
 - * *Basic functions – Finance, HR, IT – 4*
 - * *Not H&S as varies from industry to industry – 1*
 - * *Exclude L&N – 1*
 - * *Protecting data - 1*
- **No - 2**
- **Maybe – 4**
 - * *Bottleneck for some sectors*
 - * *Shared may be bulky*

General Comments:

Dilute ability for individual services to help their own individual flavours

Centralised Literacy and Numeracy skills assessment

Could minimise differences for industries that work across more than one WDC

Prefer hub and spoke idea to keep them close to industry

There are risks associated with centralisation

Data informed workforce planning needs to be industry / sector specific

What is really important to you when it comes to potential WDC groupings?

Voice of disability is heard in an already large and diverse group

Industry based groupings, e.g. Health and Wellbeing, Social, Community – massive sector and more complicated than other sectors **(10)**

Groupings that make sense from foundation courses onwards. Interface with regulatory bodies and degree-based programmes as these programmes are pipelines for degree programmes **(2)**

Equal opportunity for each sector to be heard – fair and appropriate sharing and division of funding and resources **(2)**

That voice doesn't get heard. That smaller and / or under developed sectors are not overwhelmed or drowned by more established sectors **(4)**

That groups aren't so large that they become unworkable

Sufficient workforce planning recognising wellbeing outcomes and funding pressures

Clearly identified coverage

Health is very visible (largest employer in New Zealand) and is aligned with Social and Community Services with a wellbeing focus. There is more in common than different

That WDCs communicate with each other at a governance level so training material developed is consistent NZ wide and is of a high standard

Adequate resourcing (not people on big payscales) **(3)**

Nimble, agile and future flexibility

Flexibility to transition industries into a different WDC if work environment changes (e.g. work moves from manual to technology)

Alignment with school pathways **(2)**

That funding is driven by the needs of the workforce and industry, functions & outcomes **(3)**

Clear and active lines of communication with industry and workforce

Clear pathways for employees **(3)**

Equal / Equitable funding across WDCs

Responsive and flexible enough to adapt to different needs

Risk of forming a large unwieldy organisation that serves all, but doesn't do justice to any

Funding evenly distributed taking into consideration the cost to train some skills is more expensive

Must represent employers, consumers and secondary education

It is portrayed as a professional industry

What is really important to you when it comes to potential WDC groupings? (cont'd)

Representation not only from people who know the industry but also are passionate about the industry (2)

Knowledge of evidence-based best practice is critical

That both employer and employees are represented (2)

Diversity

Learner voice

Health should be one group

Like minds for like services – must have access to WDC readily

That the industry sectors are well represented despite the size of the group (2)

That there is equity in employer representation, e.g. currently acute sector hospital needs are often overlooked because of the dominance of home and community care provision

Need to have a bicultural aspect to the make-up of the new organisation

Recognition of Te Tiriti (2)

Specialist skillsets and knowledge must be included in whatever design is agreed upon

Having a system that enables you to develop transferable skills and qualifications - you can have a cohesive career even though you may move roles in between sectors – e.g. education, health and social sectors

Needs to provide coverage from birth to death with all that comes in between

Female dominated workforce – need female representation at WDC

Groups shouldn't be too siloed – they will be connecting between different groups

Groups are not just coherent re sectors, but also re career pathways – to be that they will need to be flexible enough to respond to future changes

As long as Health and Wellbeing is kept together – need focus on wellness

Should WDC coverage be skills aligned, as compared with vertically aligned (setting / organisation)?

Results:

- Skills aligned – 51
- Vertically aligned – 1
- Unsure – 7

General Comments:

Skills aligned, but with transferability / cross functional opportunities (2)

Vertically aligned would create further fragmentation for learning outcome

Vertically aligned would cause big issues in the health and wellbeing industries

Use existing skills framework endorsed by Ministry of Health, e.g. Lets get real

Governance

- *How do you think the interests of employers and industry should be represented in WDCs?*
- *What governance model do you view as the most suitable for a WDC in the health, hauora, social & community, and public services?*
- *How should such a Board be appointed?*

Feedback from each session is included below:

<i>How do you think the interests of employers and industry should be represented in WDCs?</i>
Transparent model of consulting
Representation from industry organisations, peak bodies and regulatory bodies (6)
Equal balance of skills and industry (2)
Transparent plan on how it will be executed
Recognition that funders (of training) / ACC are key (2)
Ensure a <u>fair and equal</u> dialogue amongst industry members
Governance will also need capability in policy / strategy and government relations in order to effectively influence TEC
Two stages – implementation and BAU
Regular structural reforms
Democratic nominations from industry and employers
Board with reference groups to advise them (4)
Governance training compulsory for all Board members (3)
Danger of NFP versus commercial who have different policy positions
Open communication channels with employers and industry
Industry needs to drive what is needed at the coalface - don't want a faceless Board / Council making decisions
Important not throw the baby out with the bathwater - years of industry consultation and involvement have driven Careerforce to have high quality standards and qualifications
Having industry leaders and not just at CEO level – leaders from grassroots and operational and management levels
They will need representation that will advocate the cultural and individual needs of the people who use the services being offered by the employer – particularly Māori, Pacific and Asian (2)

How do you think the interests of employers and industry should be represented in WDCs? (cont'd)

Ensure there is a framework that allows the governors to govern, to be both responsible and accountable for outcomes not just a figurehead group **(2)**

Stakeholders must be represented and include the voices of the receivers of skills and services not just providers

By sound representation from successful organisations within the sector **(2)**

The WDC would need to have clear knowledge of the specialist skillset we require to do our area of work

Key role of the governing body is to facilitate engagement

Should not be representing so much as listening – must include whānau, trainees and organisations

Some consumer voices but also business reps

Seeking advice outside of industry associations; but direct with industry owners who are NZ based with interest in New Zealanders

Ensure strong voice for Māori and Pasifika probably through governance rather than stakeholder voice

Full consultation with the person receiving care, learner and the workplace **(2)**

What governance model do you view as the most suitable for a WDC in the health, hauora, social & community, and public services?

Results:

- Industry Representative Board – 3
- Skills Based Board – 9
- Mix of Industry / Skills – 41
- Stakeholder Council that sits above Skills Based Board – 7
- Unsure – 0

General Comments:

Industries busy – will they meet required commitments

Bias – if industry based

Funder presence on Board, e.g. DHB, MOH

Understand resources, commitment and time

Need to include Māori as well as consumers and peers in a co-design model **(2)**

Advisory groups feeding into the Board

Any governance model should be inclusive of end user representation, consumer voice, lived experience **(2)**

Representation of diversity – go away from traditional appointments and corporate business model; must be able to represent divergent points of view

How should such a Board be appointed?

Results:

- Appointed in entirety by Minister – 1
- Minister appoints 3 – 4 board members and these members appoint the rest – 27
- Stakeholder Council made up of industry members appoints all Board members – 30

General Comments:

Focus on diversity and equality, gender, age, race, disability (3)

Independent Chair

Start with Establishment Board and then appoint industry led / skills-based Board for ongoing operation of WDC (2)

Sector is funded by government and the connection to government needs to be clear

Pilot model (for how structure is established)

Minister appoints Interim Chairman – rest of Board by nomination and election (4)

Nominations and elections

Limits of terms

Never by the Minister! Keep politics out