

# Skills & Training

# Building a Dynamic and Skilled Workforce.



#### **David Barron**

#### Executive Manager Stakeholder Relations, Manufacturing Industry Skills Alliance (MISA)

David is the Executive Manager Stakeholder Engagement for the Manufacturing Industry Skills Alliance. Prior to this he was the Acting Executive Director of Apprenticeships Victoria where his role was to rebuild the organisation and position it for the future.

David is committed to promoting vocational education as a strong career pathway and has done this for more than eight years with executive roles in the Victorian Government across TAFEs, workforce development and the government funded training market.

CLASS NOTES '24

SKILLS & TRAINING



"Currently, there is a major shortage of skilled labour in our industry, which has been identified as a critical threat to businesses."

Our industry often has concerns about the significant need for improvement in our industry's skills and training standards.

There is a high demand for better quality and consistency in this area. Currently, there is a major shortage of skilled labour in our industry, which our industry members identify as a critical threat to their businesses. Given that our workforce is aging, attracting new talent is crucial for the industry's future. One key area of focus is increasing apprenticeship completion rates - currently, over 50% of apprentices do not complete their training. This is a priority for industry, and we have additional strategies in place to address retention and training issues.

#### **CHALLENGE 1 -**

#### **DIRTY TRADE**

Manufacturing jobs are not seen as an attractive choice for school leavers. In Australia, we are well placed to develop knowledge intensive, low carbon emissions capability in key segments of global and regional value chains. Australia lacks a clear narrative on 'what we do', leading to a devaluing of manufacturing careers.

There are a range of solution pathways our industry can take to change the stereotypes:

#### **IMPROVING APPRENTICESHIP COMPLETION RATES**

Achieve an accurate assessment of completion rates and the reasons why our apprentices leave our industry.

#### **PROMOTIONAL CAMPAIGNS**

Targeting specific cohorts and promoting the benefits and opportunities of careers in manufacturing. For example, advertising, career expos.

#### **CHANGING THE WORK ARRANGEMENTS**

- > To attract new workers, we need to adapt our employment offering. For example, flexible work, salaries, child care support.
- Learn and earn programs partnering with TAFEs, RTOs, Universities.

#### **CAREER DEVELOPMENT AND OPPORTUNITIES**

- > Create and promote clear pathways for individuals.
- > Promote the job, for example: helping to build Australia's defence capability or help Australia meet net zero emissions.
- > School engagement programs.

### **CHALLENGE 2 -**

#### LACK OF DIVERSITY

Research done by Jobs and Skills Australia last year made it clear that the more skewed a workforce is in terms of gender, the more likely they are to have a labour supply issue. With the manufacturing industry standing as a traditionally male-dominated industry, lacking gender diversity, it is no surprise the sector is seeing labour supply issues.

In response to these challenges the Manufacturing Industry Skills Alliance recommends:

#### IMPROVING APPRENTICESHIP COMPLETION RATES

Achieve an accurate assessment of completion rates and the reasons why our apprentices leave our industry.

#### TARGETED PROMOTIONAL CAMPAIGN

- Making manufacturing an attractive worker proposition for:
  - > Indigenous people
  - > Women
  - > LGBTQI+ cohorts
  - > Culturally and linguistically diverse people
  - > People with disability

#### **INDUSTRY EDUCATION TARGETING**

- Networks for different cohortse.g. Women in manufacturing networks.
- Leadership in diverse organisations.
- > Creating optimal work environments for different cohorts.

"It has recently been found that over 34% of the industry workforce are aged 50 years and over.

In 2006, this was at 24%."

**Manufacturing Industry Skills Alliance** 

#### **CHALLENGE 3-**

#### SKILLS RETIREMENT CLIFF

There's clearly a challenge in retaining workers for as long as possible and sharing their knowledge along with bringing in a new generation of workers that can learn. By expanding diversity programs in business and moving business knowledge into onboarding programs, industry will see higher retention of staff and a more diverse cohort in the workforce:



#### Mentoring programs.

Support and career guidance for employees.



#### Succession planning.

Identifying talent and nurturing it to leadership roles.



## Tapping into government industry transition programs.

Programs which support workers utilising existing skills or learning new ones to continue employment.



#### Better retirement transition.

Setting concrete goals and articulating them clearly. Supporting your employees in reaching their goals.



### Improving the apprenticeship experience.

Better experiences for apprentices will lead to better completion rates.

#### **CHALLENGE 4 -**

#### SKILLS FOR FUTURE AUSTRALIA

Transferable skills are becoming a key to success going forward, such as the opportunity to transition from defence to clean energy for example, (a gearbox, is a gearbox).

Considering skills for the future includes developing the skills of those workers that we do retain - how do we keep them skilled and how do we upskill them with the new technology and everything that's coming in? Looking to your future workforce begins with the workforce you already have. Consider facing the current issues impacting the workforce quality - dirty trade, lack of diversity and skills retirement cliff.

Other solutions you could get underway include:

#### MORE RESPONSIVE SKILLS SYSTEM

Achieve an accurate assessment of completion rates and the reasons why our apprentices leave our industry.

#### LEVERAGING BEST PRACTICE

Targeting specific cohorts and promoting the benefits and opportunities of careers in manufacturing. For example, advertising, career expos.

#### **FLEXIBLE TRAINING REQUIREMENTS**

- > To attract new workers, we need to adapt our employment offering. For example, flexible work, salaries, child care support.
- Learn and earn programs partnering with TAFEs, RTOs, Universities.

#### **VISION -**

#### A STRONGER FUTURE

We have an empowered manufacturing workforce that drives the Australian economy. The Manufacturing Industry Skills Alliance works towards supporting the manufacturing industry across a range of facets, including posing solutions to some of the industry's most difficult workforce challenges at present. Beginning to recognise the particular challenges your own business is facing will help you navigate a plan in 'future-proofing' your workforce.

**CLASS NOTES '24 SKILLS & TRAINING** 

**NOTES** 

Q: Can we delve deeper into the challenges surrounding completion rates in our industry, considering the significantly higher non-completion rates compared to other industries? What strategies are other industries employing to improve completion rates, and are there specific actions our industry can take independently, or should we await the rollout of broader programs? Additionally, how can we enhance our internal programs, whether through cultural shifts or other means, to address these challenges effectively?

A: One solution that stands out is creating a better experience for apprentices. We can gather ideas from various perspectives, which is beneficial. In terms of completion rates, let me share examples from both a larger and a smaller company. Komatsu, a major equipment supplier in the mining and farming sectors, runs engaging programs with schools. They host open days, competitions, and offer free training, identifying talented individuals who are keen on apprenticeships from the start. This approach helps filter out those who might not be committed, addressing a common challenge across sectors. While it can be frustrating to see many start but not finish, companies like Komatsu provide extensive support, leading to high completion rates around 80-90%.

Another successful model is through group training organisations, which offer additional support and act as a bridge for apprentices to seek help outside of their direct employers. This setup has proven effective in maintaining completion rates. A smaller manufacturing

#### Q: What are some practical strategies, beyond reducing work hours, that industries and companies can implement to support older workers approaching retirement age, especially considering the challenge of low apprentice employment rates?

A: As people approach retirement, reducing their hours naturally becomes part of the equation. However, besides this, offering different roles within the organisation like leadership or mentoring positions can be beneficial. Some companies are actively investing in training programs to help older workers transition into these new roles smoothly. While not everyone may initially be keen on learning new skills at that age, there are individuals who are open to it, and providing the necessary support can make a difference. These efforts not only contribute to ongoing learning and engagement but also play a crucial role in succession planning. By giving older employees more meaningful roles, such as mentoring or leadership positions, companies can help them stay committed and satisfied even as they approach retirement.

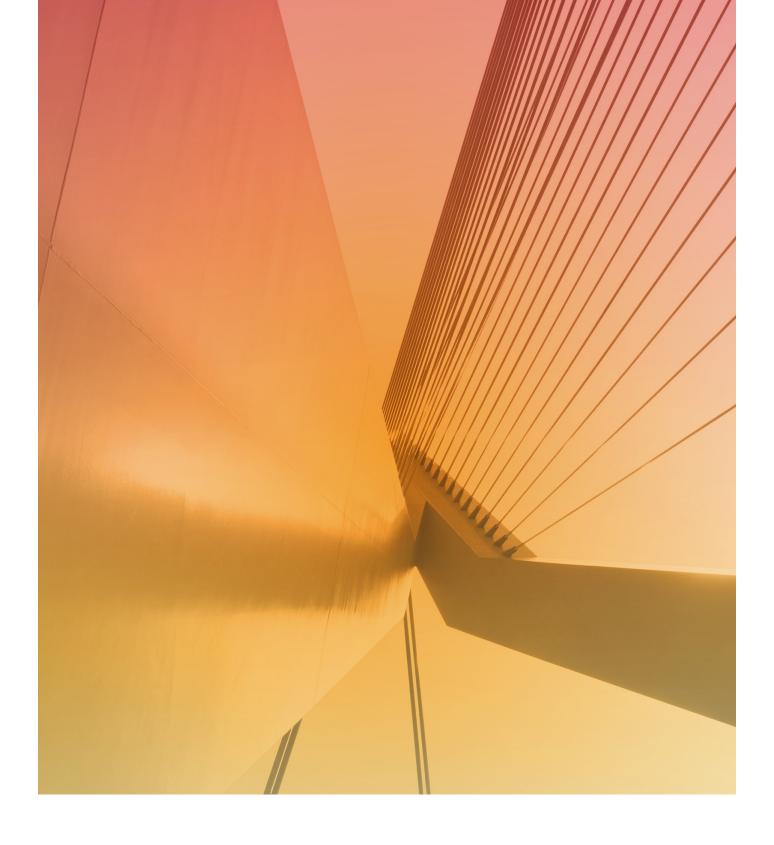
Q: We need rethink the traditional view of apprentices as mere floor sweepers. This mindset doesn't foster enthusiasm or encourage apprentices to see their role as a serious, dedicated career pathway. This includes providing tasks that align with their training and career goals, setting clear expectations, and offering support through their apprenticeship Are you seeing employers make that shift?

A: The landscape has certainly evolved from the time many of your members began their careers. Technology has changed, roles diversified, and new skills required. businesses need to offer something distinct to attract talent. This calls for creativity and innovation from business owners themselves. While there's no magic solution, the focus is on empowering businesses to develop their unique offerings for apprentices and employees. Competing for talent means offering more than just a paycheck. It's about providing a work environment that excites and engages employees daily, regardless of their role.

# company in Melbourne also emphasizes upfront With the current labor market being highly competitive, screening to ensure commitment from apprentices and involves parents in the process, recognizing the role of the broader support network in career retention. These examples highlight that there's no one-size-fits-all solution, but initiatives focusing on early identification, ongoing support, and engagement with various stakeholders can significantly improve completion rates.

#### Learn more







+61 3 9421 2206 hello@visualmediaassociation.org.au visualmediaassociation.org.au



