



# **Australian Institute of Management**

## **Submission**

**To**

## **Resourcing the Future**

**National Resources Sector Employment  
Taskforce  
Discussion Paper**

**April 2010**

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## 1. Executive Summary

The Australian Institute of Management (AIM) welcomes the opportunity to provide a submission addressing a selection of the issues raised in the National Resources Sector Employment Taskforce discussion paper *Resourcing the Future*, released on 1 March 2010.

AIM has prepared answers to specific questions raised in the *Resourcing the Future* Discussion paper. These answers are not necessarily definitive but attempt to provide an indication of where AIM could provide solutions to the issues addressed in the paper.

AIM as a well established training organisation across Australia, will be responding to the increased training needs in a range of locations and with a range of solutions as directed by its members and clients.

While AIM does not have a view on (or capability to deliver) specific resources sector technical training, AIM with its credible administration skills base could be a central coordinator of a set of programs which would deliver a suite of relevant training over an extended period.

AIM would welcome the opportunity to discuss with the National Resources Sector Task Force the development of such a coordinator role or in any other partnership role that the Task Force believes would be appropriate.

## 2. Overview

### The Australian Institute of Management

The Australian Institute of Management (AIM) was formed over 65 years ago as a not for profit membership organisation with a national vision to enhance the capability of managers and facilitate leadership excellence so that individuals and their organisations reach their full potential.

AIM's mission is to disseminate leading edge management and leadership materials and quality learning and development solutions for corporate clients, public sector clients and individuals across a range of industry sectors for the benefit of the Australian economy and wider society.

In 2010, more than 20,000 managers at every level and over 3,000 businesses belong to the AIM Network. As Australia's largest professional body for managers, AIM is synonymous with relevant and contemporary management practice, innovation and leadership development and is recognised as the voice of management in this country.

AIM is a Registered Training Organisation and authorized higher education provider, supplying a broad selection of educational pathways and learning opportunities to lead, develop and engage individuals and organisations. AIM achieves this through:

- Practical short courses for immediate and effective skills acquisition and upgrade in areas covering general workplace skills, supervision, management, sales and training;
- Nationally accredited qualifications – Certificate, Diploma or Advanced Diploma;
- Post Graduate programs which can articulate into an MBA, for example, through the Graduate School of Business in SA, the AIM Graduate School in Queensland and the Southern Cross University in NSW.
- Customised Learning Programs – AIM has specialized units dedicated to tailoring and developing new materials and programs to meet clients' specific needs;
- HR Research & Consulting – providing a range of services including Salary Surveys, Return on Investment Measurement and Performance Management systems; and
- Membership – providing access to a range of services adding capacity to managers such as Management Master Classes, networking events, breakfast briefings, specialist seminars, management and leadership conventions, mentoring and coaching services and research and publications, supported by a specialist management bookshop and library services geared to graduate school education.

The strength of AIM training lies in its experienced, skilled facilitators who are also subject matter experts and industry practitioners. In collaboration with our

instructional designers and our Human Resource research and management libraries and information services, they ensure AIM learning and development solutions are best practice, immediately relevant, practical, engaging and cost effective. AIM monitors the performance of its facilitators on a continual basis based on participant feedback, client feedback and observations by the AIM Learning and Development Managers. AIM facilitators include recognised effective adult learning strategies in all workshops and training sessions such as: case studies, role-plays, discussions, practice sessions, individual activities and feedback.

### Partnerships

In each Australian State and Territory, AIM Divisions provide an essential contact point for management training and development activities. With a \$75 million turnover, over 280 staff nationwide, a network of customised office and training facilities and a commitment to Australia's business future, AIM is considered by many to be their key professional development partner.

AIM uses a consulting partnership model to achieve agreed business outcomes with a range of organisations across business, government and community sectors. These include public sector clients such as:

- Australian Bureau of Statistics
- Centrelink
- Department of Defence
- Department of Education, Employment and Workplace Relations; and many others.

Partnerships also exist across a range of industries for example:

- *Ergon Energy*, a Government-owned corporation, with a total asset base of \$7.7 billion and more than 4,000 employees, servicing 97% of Queensland; and
- *ACTEW AGL*, a multi-utility providing telecommunications, electricity, natural gas, water and waste water services in the ACT.

AIM also has numerous direct links with micro and small business.

In addition to professional development partnerships, AIM conducts regular research with its members, participants and contacts. Some surveys are undertaken by AIM Divisions in partnership with universities as part of ongoing alliances between these organisations. Leveraging the best of both worlds, research undertaken in this way benefits from the academic rigour of the University combined with the applied focus of the Australian Institute of Management.

This research is complimented by AIM's drive to maintain and develop the capacity to understand, integrate and apply cutting edge concepts and approaches from a comprehensive set of sources. We sponsor numerous overseas management and leadership experts and maintain access to several hundred academic and management journals. Supporting this strength in training and ensuring quality and sound risk management are AIM

administrative and oversight systems such as curriculum committees, quality/audit committees, higher education committees; and utilisation of expertise of Advisory Boards. Through these resources we are able to regularly identify emerging trends and develop robust teaching frameworks that integrate multiple perspectives provided in a range of flexible delivery options.

### Response to the Paper

AIM has prepared answers to specific questions raised in the *Resourcing the Future* Discussion paper. These answers are not necessarily definitive but attempt to provide an indication of where AIM could provide solutions to the issues addressed in the paper.

AIM recognises that the immediate employment shortage will be in specific technical skill areas. However AIM suggests that there is likely to be a need for a range of “management” skills across the technical disciplines as well as a need for skilled administrative workers.

In addition, the so called “ripple effect” may cause some shortages in skills in non-resource centre locations resulting in a need for additional training in these areas to offset the impact of the new resource projects coming on stream over the next 5 years.

AIM as a well established training organisation across Australia, will be responding to the increased training needs in a range of locations and with a range of solutions as directed by its members and clients.

While AIM does not have a view on (or capability to deliver) specific resources sector technical training, AIM with its credible administration skills base could be a central coordinator of a set of programs which would deliver a suite of relevant training over an extended period.

AIM would welcome the opportunity to discuss with the Resources Task Force the development of such a coordinator role or in any other partnership role that the Task Force believes would be appropriate.

### **3. National Resources Sector Employment Taskforce Discussion Paper Questions**

#### ***Q1. Does the information in this paper provide an accurate outlook for the resources sector?***

The discussion paper focuses on the anticipated shortages in resource sector skills. While recognizing the “ripple effect” of an industry-specific skilled workforce being drawn from other sectors to natural resources projects, the paper does not comment on other types of skills shortages likely to occur in, for example, administrative areas such as: finance and accounting; logistics; occupational health and safety; human resources management; project management; environmental management; marketing; sales; and security both on-site and off-site.

In the 2006 Australian census, over 1.2 million people identified themselves as ‘managers’. Not all of these managers were Executives, General Managers, Senior Managers or functional managers; in fact many of these managers were role managers, responsible for a specific project, function, and service or product line. AIM’s definition of a manager is “a person who plans, leads, organises, delegates, controls, evaluates and budgets in order to achieve an outcome”. Managers are found in all industries, and at all levels of today’s organisations. However, no matter what level of responsibility is held, the practise of management remains the same albeit with differing challenges. The resources sector can be expected to require a range of competent “managers”.

In a survey conducted by the Australian Institute of Management (Victorian and Queensland Divisions) in December 2009, of executives’ views on the impact of the escalating skills crisis, respondents identified leadership as the number one skills gap (45%) followed closely by professional or industry specific skills (43%) and process and project management skills (36%), managerial (31%) and communication and/or interpersonal skills (31%).

AIM has a 65 year history of delivering nationally recognised qualifications and appropriate training to provide practical, relevant, skill development across administrative, business, leadership and management areas for immediate application in the workplace, no matter the location.

#### ***Q5. What are the positive and negative impacts of resources projects on the demand for labour and skills in other industries, and how can these be addressed?***

The opportunities created in the rapidly expanding resources sector encourage increased flexibility in the marketplace and may also encourage an upskilling of the workforce generally. However, the ripple effect which tends to encourage skilled employees to change their occupation on the basis of higher salaries in a perhaps lower skilled area, may lead to shortages in city employment across a range of skilled groups in other centres.

A shift of both skilled and unskilled people from city employment to remote area employment is likely to create some shortages in the city where additional training then becomes necessary to fill the gaps.

The construction and operational phases of resource operations require different skills over different time periods. As previously referred to in Question 1, in addition to trades and technical officers and engineers, people are needed for a broad range of administrative functions including project and contract management, finance and accounting, human resources, logistics, occupational health and safety, sales and marketing and environmental management.

This fluctuating need for specific skill sets has consequences for the availability of appropriately trained staff for the duration of the project. Expert human resources management and better planning for the development of transferable skills sets may address skills mismatch which can be a problem in the sector because of the remote location of many resources projects.

AIM can draw on its long history of achieving a high level of communication and collaboration with a range of industry sectors to plan for the development and implementation of a robust skills development culture across the resources sector to meet the anticipated administrative, business and management skills requirements

***Q16. How responsive is the education and training sector to the resources sector's skills requirements. How can responsiveness be improved?***

As the discussion paper notes, given 41% of the construction sector and 36% of the mining sector do not have a formal post-school qualification, the resources sector which relies heavily on skilled employees, could benefit from provision of practical learning and development programs by post-school education providers such as AIM.

AIM is committed to supporting managers wherever they are located and whatever their needs. AIM offers a range of carefully designed skill development programs through its Divisional offices located in capital cities and in some regional centres. AIM's flexible delivery approach provides solutions to managers' diverse learning needs by offering face-to-face, on-site, online or regional training or a blend of these delivery modes. AIM can also offer flexibility to organisations to choose between days, weekends and distance education for some courses.

Programs can be adapted, tailored or fully customised to meet the needs of an organisation. In the event that an existing program does not meet specific requirements, AIM's curriculum design services will build a program, from the ground up, based exclusively on an organisation's specific needs and required learning outcomes.

Competency-based qualifications can be achieved through structured, open enrolment or in-house training sessions and completion of required assessment tasks or by recognition of existing competencies through portfolio evidence or mutual recognition arrangements (see Question 23 for additional information). Participation in competency-based assessment is a requirement for AIM's Certificate and Diploma programs as part of the National Framework for the Recognition of Training.

***Q20. How do you provide training for a fly in fly out (FIFO) workforce?***

Refer to Question 16 for AIM's commitment to supporting managers wherever they are located and whatever their needs.

AIM is able to partner with organisations to provide a flexible, customised solution to the FIFO workforce's diverse learning needs by offering in-house, on-site, metropolitan and regional training or a blend of these delivery modes.

To complement these face to face delivery options, AIM is developing a growing range of structured online development opportunities and formal qualifications through a state of the art learning management system. AIM's online approach to learning is flexible, interactive and complements the selection of face-to-face courses offered in metropolitan and regional centres.

AIM's fully supported online environment is designed to improve performance at every stage of an employees' career and could be readily utilised by the FIFO workforce. The online approach will deliver AIM's most popular open programs with the same dynamic course content accessible any time, any place and in any space providing the participant has a computer with an internet connection.

Online learning has significant benefits to both the learner and the organisation including:

- Flexibility in learning
- Increased retention in learning
- Cost effectiveness when delivering learning
- On demand access to learning; and
- Motivating and engaging learning.

***Q22. How can the resources sector make the best use of the accredited and non-accredited training system to prepare for its future skills needs?***

AIM is available to provide both accredited and non-accredited training courses. As a large national private provider of professional management and leadership training, AIM is a leader in the development and delivery of practical learning and development programs aimed at enhancing the skills and capabilities of managers and staff.

AIM is a Registered Training Organisation and an Authorised Private Provider of Higher Education that offers:

- *Practical short courses* - covering general workplace skills, supervision, management, sales and training, all of which can be delivered within AIM's existing public training program or in-house;
- *Nationally accredited qualifications* - including Diplomas and Graduate Certificates; and
- *Customised learning programs* - These programs can be adapted, tailored or fully customised to meet the needs of an organisation and can be delivered at nominated venues or at AIM Division training facilities.

Refer to Questions 16 and 20 for additional information.

***Q23. What more can be done to recognize the skills that resources sector employees acquire 'on the job' and through unaccredited training?***

AIM can assist employees to acquire competency-based qualifications through provision of structured, open enrolment or in-house training sessions requiring participants to complete required assessment tasks, or by recognition of existing competencies through portfolio evidence or mutual recognition arrangements.

Recognition of Prior Learning

Previous experience or formal study in a particular area of work may be recognised and credited towards a qualification via Recognition of Prior Learning or RPL. This process can be used for up to 50% of a Higher Education qualification, or up to 100% of a VET qualification.

Assessment of RPL can involve a workplace visit and/or submission of a portfolio of documented evidence to demonstrate existing skills, knowledge, competencies and personal attributes.

Mutual recognition

AIM can also recognise qualifications from other Registered Training Organisations (RTOs) or Higher Education providers. Units from other organisations may be included in an AIM qualification upon provision of a certified copy of the Statement of Attainment or Transcript of Results for verification.

**Q26a. How can the resources sector upskill its workforce to prepare for its future skills needs?**

Establishment of partnerships between organisations such as the Government, AIM and industry could assist in capability planning to address future skills requirements in the resources sector.

Refer to Questions 16, 20 and 22 for AIM's potential contribution to upskilling the resources sector workforce.

**Q26b. What can be done to improve on-site skills development?**

Regional training

AIM already undertakes regional training in major centres across Queensland including Cairns, Townsville, Mackay, Gladstone, Rockhampton, Toowoomba and the Gold Coast. Other AIM Divisions across Australia are considering options to expand flexible learning opportunities to other regional areas and sectors.

AIM's approach to on-site skills development

AIM provides in-house corporate (or on-site skills training) that offers a convenient, cost and effective alternative to off-site or web-based training program options. It can be delivered across the state, country or overseas, mornings/nights/weekends.

The decision to bring training on-site benefits any size organisation from small to large. The size and scope of the training can be customised to suit an organisation's needs and may vary from a one day session with 20 attendees to a 10 day session with seven attendees and spread out over 10 months.

AIM can utilise its vast collection of Australian training content to customise a program to suit organisational objectives.

Benefits of in-house training

- *Cost savings:* Considering employees are located on-site, organisations benefit from zero additional travel expenses incurred by employees which can add up to thousands of dollars, and zero additional travel time for the employee. There is also the option to enrol as many employees as required, realising a significant savings with increasing economies of scale.
- *Convenient:* Time away from an employee's job is minimised. AIM will also organise training delivery dates and hours to suit business needs, offering flexibility across early morning/nights/weekends.
- *Higher information retention:* The key Adult Methodology in Learning, shows that the greater the number of employees in attendance - the greater the information retention. Studies show that groups of 10 or more

employees who have taken the same session together are able to retain more information due to repetition, discussions and interaction.

- *High return on investment* - employers who invest in their employees by ensuring they have the skills and tools they need to make them more efficient and knowledgeable gain increased productivity and higher retention rates

***Q28. Who should meet the costs of equipment, systems and resources required for training purposes?***

AIM believes this is a complex question with the answer dependent on a wide range of issues including location, value to the community, nature of the firm and nature of the training. There is a role for all partners to contribute.

***Q30. What measures could be put in place to facilitate the interaction between industry and training providers, such as industry seconding staff to mentor and train trainers in practical industry requirements?***

Given AIM's extensive experience with mentoring and coaching, AIM would welcome the opportunity to discuss further with Government this question and the potential to extend this training to relevant sites.

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