



Better use of skills, better outcomes: Australian case studies



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Message from Philip Bullock, Chair of Skills Australia

One of the challenges facing Australia is boosting productivity to the benefit of enterprises, workers and the community.

Skills Australia is of the view that enterprises developing and utilising the skills of their workforce is a vital ingredient in improving productivity.

It takes leadership and sustained effort on the part of individual businesses to improve performance in their workplaces. But the effort is worth it. When an employee feels their skills are being used and their talent nurtured, there is evidence that it pays dividends in business efficiency, productivity and innovation.

At a personal level it generates job satisfaction which in turn reduces staff turnover. To put it simply—when an employer cares about the employee, the employee cares about the business.

Our research has found that those organisations which persistently strive to create and sustain a productive, engaged and adaptable workforce use a range of approaches to make the best use of the skills of their workforce.

These strategies address how work is organised and how the skills of workers are aligned to the needs of the business. Specific approaches include supporting employee participation in decision making, redesigning jobs, knowledge transfer and mentoring, job rotation and multi-skilling.

I take this opportunity to thank the eleven organisations which generously gave their time for this research: acQuire Technology Solutions Pty Ltd, The Chia Co, CSL Australia, Dexion, GHD, GM Holden Ltd (Vehicle Manufacturing Operations), Leighton Contractors (NSW/ACT & NZ), Murrumbidgee Local Health District, Pottinger, RSPCA Victoria and Woodside.

All of these organisations aspire to excellence in their field but also strive for continuous improvement. They have imagined and then created workplaces where innovation, adaptability and putting their people front and centre of their business strategy is the norm.

Australia's continued prosperity relies on businesses like these. They are making people management an integral part of their business strategy. They are showing us how to fully utilise and develop the skills and talents of our human resources. This is a very practical way to raise Australia's economic productivity.

I hope that you are inspired by what these organisations have achieved and can see how these ideas can be used in your workplace.

Philip Bullock

Philip Bullock
Chair, Skills Australia

Contents

Message from Philip Bullock, Chair of Skills Australia	i
Introduction	2
What practices promote effective skills use?	3
What makes it work? Critical success factors in better using employee skills	3
Introducing the case study organisations	5
Prosperity acQuired through ideas	6
The Chia Co —from little seeds big things grow	8
Employees fuel CSL Australia 's growth	10
Dexion re-skill their employees to open the door to opportunities	12
Innovation Zone takes GHD to new heights	14
GM Holden staff steer towards the future	16
Building and using skills at Leighton Contractors NSW/ACT & NZ	18
Good prognosis for Murrumbidgee Local Health District	20
Pottinger's wisdom—giving and taking advice	22
RSPCA —Nurtured staff nurture animals	24
Woodside's skill pools a resource for success	26
Contacts and further information	28

Introduction

Skill utilisation is about how well employers harness and develop their workers' abilities and talents to gain maximum value. As the stories of the eleven organisations showcased here demonstrate, this benefits both the business and employees themselves.

This publication aims to inspire employers to think differently about how they organise work. It does so by telling the story of eleven small, medium and large organisations from across Australia.

It outlines the benefits of linking the skills of the workforce to business strategy in industries as diverse as resources, health, construction and finance.

Skills Australia identifies a key role for skills utilisation in workforce development, which is defined as:

Those policies and practices which support people to participate effectively in the workforce and to develop and apply skills in a workplace context, where learning translates into positive outcomes for enterprises, the wider community and for individuals throughout their working lives.¹

Businesses that harness the skills and abilities of their workers perform well because both parties are getting more out of the employment arrangement.

Employers benefit from innovations suggested by their staff and lower costly turnover. Employees are more likely to be satisfied at work and motivated to perform at their best. These are just some of the mutual benefits that arise when an organisation empowers an employee to fully utilise their skills.

To help identify good skills utilisation practices Skills Australia has researched the case studies with the following framework in mind:

- **Delivery**—what practices promote effective skills use? For example employee participation in decision making, autonomy, skills audits, redesigning jobs, job rotation and knowledge transferred through training and mentoring.
- **Triggers**—what motivates an organisation to make the most of the skills of their staff? For example a skills shortage, low staff retention or economic conditions.

- **Levers**—what enables organisations to better use employee skills? For example strong leadership and management support, as well as committed, motivated loyal staff, organisational culture, values and genuine two-way communication.
- **Outcomes**—what are the benefits of programs/practices that utilise an employee's skills? For example higher productivity, profitability, higher staff retention for the employer and better job satisfaction and rewards for personal initiative for the employee.

In these eleven case studies we see how employers have tailor-made initiatives to suit their business. They have enabled staff to apply their education and training and contribute to the broader business goals. They benefit by tapping into the knowledge and creativity of those on the ground who are often best placed to identify better ways of doing things. And they have redesigned work, supported job rotation and knowledge transfer between employees.

All of these initiatives have been successful because they're underpinned by excellent HR practices.

All the organisations have cultures that encourage employees to participate in decision making. There is strong support from senior leadership and enduring commitment to developing staff. Organisations' values and behaviours are practised and reinforced. Training is supplemented by team work. There is information sharing and consultation. The employer is meaningfully involved in developing talent.

These are just some of the raw ingredients that make workplaces productive and capable of generating innovative business processes.

Each of these eleven businesses has taken bold steps to utilise the skills of their staff. Many have gained competitive advantage; others have developed a supply of skilled staff despite chronic skill shortages. Many have lowered staff turnover.

They are role models for all businesses who want to attract skilled and talented staff.

Before outlining the stories of the eleven workplaces, the sections that follow summarise the practices we have found that promote effective skills use. They also identify the critical success factors that need to be in place—what makes skills use strategies work.

¹ Skills Australia (2010), Australian Workforce Futures.

What practices promote effective skills use?

The organisations involved in the research use a multitude of practices to make the most of the skills of their employees. Some have a range of approaches in place that work together as part of an overall package of initiatives. Others focus on one particular approach.

The types of initiatives include:

Job redesign

Changing the role or description of a job so that skills of the employees are put to the best use. Aspects of job redesign can include teamwork and flexibility in job descriptions and work arrangements.

Employee participation

Involving employees in discussions on business strategy or direction means that the valuable knowledge and experience that they have can be used.

Autonomy

Giving employees a degree of freedom and authority to make decisions about how to do their job.

Job rotation

Facilitating the learning and use of new skills by moving employees through different jobs/roles/positions.

Skills audit (training needs assessment)

Identifying the skills that employees currently have so that these can be used effectively as well as identifying the skills that are needed.

Multi-skilling

Closely linked with job rotation is 'multi-skilling', whereby employees are trained in multiple skill-sets enabling them to undertake tasks that may fall outside their traditional job description.

Knowledge transfer

Applying new skills

Offering training (either formal or informal) that is highly relevant and able to be used at work.

Mentoring

Passing on skills and knowledge of experienced workers. This can assist in providing leadership and strategic direction.

What makes it work? Critical success factors in better using employee skills

Effectively harnessing employee capability and skills doesn't happen by accident and it doesn't happen overnight.

But with energy, planning and commitment—it can be introduced successfully.

We have identified five critical success factors from the study of eleven Australian organisations.

These are the factors we believe need to be in place to make skills utilisation work.

1. Leadership and Management

- ▶ Good leaders and managers encourage creativity and innovation in employees by enabling measured risk-taking and providing opportunities for staff to have a say in business processes.
- ▶ Leadership structures are important, but effective leaders also encourage individuals to take responsibility, 'because then you get the ownership rather than the top down'.
- ▶ Delivering on promises or 'doing what you say you are going to' is important. Following commitments with action is important in establishing integrity and developing and maintaining trust.

- ▶ The accountability of leaders and managers in their own performance reviews is important for harnessing employee capability. Accountability and transparency is also important in ensuring that suggestions and ideas provided by employees are handled in a positive way.
- ▶ The development of middle and front-line managers, through training and mentoring, ensures firms have the necessary leadership and people management skills in place for workplace change to occur.
- ▶ Good change management is essential to effective skills utilisation as it helps leaders to firstly, identify the organisation's need for change, and secondly, determine its capability and capacity for change.
- ▶ Forward planning and managing the change process are ways of keeping employees informed and eliminating the element of surprise: gaining their acceptance, input and participation.
- ▶ Good change management is one way of acknowledging the fears and apprehensions of employees when faced with uncertainty—particularly when staff are used to doing things in certain ways.
- ▶ It is also important to sustain initiatives—even when resources are constrained—so that they are not seen as a fad but central to how the organisation works.

2. Culture and values

- ▶ Organisational culture, and a supportive, inclusive workplace environment can encourage employees to contribute their ideas
- ▶ Managers need to ensure that culture and values are consistent across the organisation and that different cultures are not operating in different parts of the organisation. This can be a challenge for larger firms.

3. Communication, consultation and collaboration

- ▶ Actively listening to the ideas of employees is a crucial way of involving them, as is recognising staff contributions within the workplace.
- ▶ Transparency of information gives staff a sense of how their work contributes to the business. This can inspire commitment and contribute to the success of the organisation.
- ▶ Staff can contribute to company innovation by being encouraged to raise issues, discuss aspects of work and provide ideas about better ways of doing things.
- ▶ Engaging staff in decision-making and continuous improvement processes brings rewards to enterprises, in terms of both financial and relationship benefits.
- ▶ Involving everyone, including unions and other stakeholders, is an important factor in gaining buy-in.

4. Good HR practices

- ▶ Good HR provides the framework for a supportive workplace, helping to provide the conditions necessary for skills utilisation to occur.
- ▶ Effective HR practices encourage staff to maximise their contribution to the workplace by rewarding and recognising their efforts.

5. Employee motivation

- ▶ There is no 'cookie-cutter solution' to improve skills utilisation. Organisations benefit from treating everyone as an individual and by recognising that everyone's needs are different.
- ▶ The more employees feel that they are valued and listened to, the more likely they are to be motivated to participate in workplace initiatives, and therefore, contribute to a company's success.

Introducing the case study organisations

The section that follows showcases eleven organisations that are making every effort to develop and harness the capability of their staff.

The organisations and their industry are outlined below:

acQuire Technology Solutions Pty Ltd—technology

The Chia Co—food production

CSL Australia—shipping

Dexion—manufacturing

GHD—professional services

GM Holden Ltd (Vehicle Manufacturing Operations)—manufacturing

Leighton Contractors NSW/ACT & NZ—construction

Murrumbidgee Local Health District—health

Pottinger—finance

RSPCA Victoria—not for profit

Woodside—resources

Prosperity acQuired through ideas



A company which serves the exploration, resource development and production sector also competes fiercely with these same employers for highly skilled staff. But thanks to strategies to utilise employee skills combined with good HR practices, acQuire Technology Solutions has been able to attract and retain their staff.

acQuire has a low 4 percent staff turnover and this year expects to replicate its 25 per cent growth rate and add another 26 staff to its 109-strong workforce.

Since 1996 the Perth-based company has been supplying the resource sector with 'acQuire', a geoscientific information management system. However, the people it needs are highly specialised geoscientists who are able to command higher salaries elsewhere during the resource boom.

The company recruits technical staff either by hiring geologists and training them in the IT aspect of the business, or by hiring geoscientific data technologists (who already have an IT background) and then training them in geology. In an ideal world the company would recruit from a pool of applicants who have expertise in both geoscience and IT.

It's tough especially when you've got the mining companies paying premium salaries ... they don't mind the boom and bust. They'll pay huge salaries [but] when things go bad, down comes the axe. We can't maintain that same salary but we want to maintain a consistent workforce.

(CEO)

Novedad (Spanish for new ideas)

acQuire's highly skilled employees are encouraged to contribute new innovations, suggestions and improvements to any area of the business through the computerised 'Novedad' system. Ideas are assigned to an action officer who is accountable for assessing their feasibility. Management will decide if the innovation is viable and communicate this back to staff via Novedad.

Suggestions have ranged from simple things like a new long service leave system to strategic options like an interactive map of acQuire's global offices. Novedad also facilitates company-wide discussion of the idea and this improves the chances of getting the best solution for the business.

It's like a suggestion box on steroids ... We're all about accountability; we want to have people accountable for taking the idea to its ultimate conclusion. These are very, very high level strategic ideas or as simple as 'We should get a worm farm in the back'—any idea is a good idea.

(CEO)

This open access to improvement is a demonstration of management honouring the quality of its staff and its commitment to taking suggestions seriously.

A lot of people we employ here are very smart and they're highly educated, they're ambitious, they want to learn stuff and so to be innovative and to constantly change, they enjoy it.

(Chief Financial Officer)

Job Satisfaction Calculator

The Job Satisfaction Calculator (JSC) is a measure of employee contentment in their current role and how their career is tracking with the company. This unique tool also explicitly considers skills utilisation via the question 'How well does your current role utilise your individual skills?'

The JSC assesses employees' perception in five categories: professional fit, personal fit, company culture, training and financial compensation. Employees allocate 100 points across the categories in terms of their current jobs versus their ideal job.

A glaring disparity between the current versus the ideal scores indicates an issue that needs remedial action. For example if an employee has entered a low score on the skill utilisation element of their JSC they will discuss it with the hiring manager and consider ways to better use their skills.

Anybody that's scoring less than about 70 (out of 100) we'd have concerns with and generally what this tool can do for us then is isolate where that concern is.

(Chief Financial Officer)

Succession and Skills

Career paths at acQuire are mapped three to five years out to address individual needs and succession planning. The annual review can involve multiple paths depending on an individual's skill level and preference. Training, development and mentoring will then take place according to the progression steps outlined on the 'roadmap'.

All employees have access to a training levy to support their development. This flat fee is applied equally regardless of position. It can be used for any professional or personal development as long as there is a benefit to the business. Knowledge gained on training courses is often cascaded through the organisation to maximise the investment.

We're very flexible as far as how that training levy is used. If they feel that they're in a role where they need to be more assertive they could go and have some personal development. If it's a technology gap then they can go and do courses for professional development.

(CEO)

Flexibility Trust Commitment

acQuire has in place a range of human resources initiatives that support their skills use and retention strategies. For example flexible working conditions and hours allows employees to work from home if they have an internet connection.

We're very flexible; a lot of people work from home. We don't have time clocks; people don't clock-in, clock-out—they come and go as they please ... it's all about trust ...

(CEO)

The organisation has a staff profit-sharing arrangement. It is structured to give long standing employees the opportunity to buy shares after they have worked three years.

The company's commitment to nurturing their employees' long-term careers—and keeping the right staff with the right skills on the payroll—is reflected in the decision to retain staff during the global financial crisis.

We elected to not make any profit ... we hung on to everyone because our people are critical for our organisation.

(CEO)

By retaining valuable staff throughout the downturn the company maintained its capacity to make a profit once business improved.

Values and Leadership

The company's values—'Leadership and innovation, brutal honesty, commercial awareness'—are the beating heart of the organisation.

The values are communicated daily, by prioritising alignment with values during recruitment, via a Cultural Leader, and in the 'QBook', an annually reviewed pocket guide to the company's values and culture.

All employees are assigned a Cultural Leader. They can discuss any aspect of their job with this person or any personal issues that might be affecting their performance. A Cultural Leader—a shareholder or company director—thoroughly understands the organisation's values and is skilled at communicating them to each employee.



The commitment of the founder/managing director and his leadership style reinforces the company's values. He personally influences the entire management team to complement his participative leadership style.

I think it does have a good culture and that's because (of the Managing Director) ... he's why I joined acQuire.

(Employee)

Strategies to use the skilled workforce at acQuire, supported by good HR practices and the company's values, culture and leadership, are the key factors in retaining skilled workers and continuing to grow the business.

The Chia Co—from little seeds big things grow



The world's largest producer of raw chia seeds is an award winning small business with nine employees based in Australia. Chia seeds, the new kid on the health food block due to their high fibre and Omega-3 content, saw the company's sales and profitability improve significantly during their first four years of operation.

The Chia Co owners recognise they would not have achieved this level of success without highly skilled, motivated staff influencing the direction of the company.

In 2009, just four years after starting, the company decided to expand and refocus strategy. They began to work directly with food companies and retailers to market a farm-to-consumer product through the entire supply chain. It meant a recruitment drive for skilled people that shared The Chia Co's values.

The strategy is very much about connecting producers to consumers as closely as possible. Our vision is to contribute to the health and wellbeing of the globe; make a positive contribution ... We're very much inclusive in wanting to see fair value for everyone in the supply chain ... in our business we're very much focusing what the consumer wants and our customers want and then if we get that right we know we can pass a big chunk of that back through the farmers who'll continue to get more production.

(Managing Director)

The company's consultative management style allows staff to contribute to the business strategy. Creative thinking is expected and workers freely share ideas and knowledge. This approach has created a highly motivated team who are fired by their passion for the job.

Everyone on the team is here because they believe and share the vision to make a difference to people ... We do talk about our values regularly and we use them to make decisions. If we're going to make a decision we'll certainly ... say 'Does that meet the values of our business?'

(Managing Director)

The Chia Co has won the NAB agribusiness award for innovation in a new and emerging industry and also the Westpac food industry association award for innovation with a new product.

People that understand innovation

The Chia Co expanded by recruiting skilled people with the capability to build the business.

We had to refocus the type of people we brought into the business and what their skill set was ... It was saying 'What skills do we need?' and it wasn't necessarily agricultural skills, it was more people that had an understanding of innovation, understanding how to commercialise a new ingredient into a food. Our sales and marketing director came from a background in food and packaging innovation ... from her we've continued to build a team of people that understand the food industry.

(Managing Director)

The company honours their employees' talents by trusting them to market the product to potential and existing customers. For example one staffer familiar

with Asian markets and cultures made suggestions that were taken up. His role now includes international business development.

The Chia Co also actively deepens the skills of its staff.

We have certainly done an audit on what skills we currently have and it's probably been more about: Well what's the next set of skills that we need to attract into the team and how to develop the people that are in there now ... The individuals that are in those roles—What's their background? What have they got? What are the gaps? And what's the next step with them? A lot of that's been one-on-one with them just in their job reviews saying 'What do we need to do from a training point of view in the next period ... A staff member is able to provide their feedback and say 'Well this is where I need more training or more support because I think it's becoming a bigger part of my job'... We'll certainly be looking to provide that opportunity.

(Managing Director)

Senior leaders ask for opinions

The management style fosters a culture of innovation and participative communication which is facilitated by the open plan office layout. Even the Managing Director sits at an open desk.

There is no culture of secrets or hidden information; whatever you say is heard by everyone so there's already a culture out there that it is open and accepting. In addition to that it's very common for the two most senior leaders in the organisation ... to turn around and ask for opinions straight away on issues that they are having, or challenges. They are very open and accepting to your input; in terms of being able to be part of the decisions in your job role here and in the work that you do, yes, there is a lot of capacity for you to have influence and to have your say.

(Employee)

The egalitarian culture makes everyone feel comfortable about sharing their ideas at weekly team meetings. Some have substantially improved productivity as well as saving the company money and reducing waste.

Staff are also consulted in recruiting new staff. Applicants give a presentation to all staff who reach a consensus view that's relayed to management.

Management accommodates flexible work hours and lifestyle needs. Staff have discretion on how they perform their job. They can review their job description and suggest ways to adapt the role to support the company's growth.

Sharing the knowledge

As well as external training, there are internal training sessions where existing staff share their valuable skills and experience.

Risk taking and information sharing is part of The Chia Co's culture. Financial data and performance management is not hidden.

Whenever we log onto the system we all know what the sales are—we're very open because we celebrate those milestones. ... Operationally, it's all communicated at the weekly meetings and shared there ... we know what the company is making ... A couple of times we've picked something that was wrong with the dashboard so it acts as a ... they're not just numbers to us; we're actually intimately involved with them—all of us.

(Operations Manager)

The Chia Co's success is underpinned by the personal style of its managing director. The staff say he is an inspiration. His personal style is to employ people that he is sure can do the job. He then puts effort into creating the environment for them to do their job well.

It's an approach that's allowing his staff to grow the company into international markets.



Employees fuel CSL Australia's growth



Increasingly sophisticated customer requirements have led the bulk shipping transport company CSL Australia to continually improve the capability of its staff. And by co-opting the expertise of its experienced senior employees into business strategy decisions, the company has grown to be the largest shipping company in Australia.

CSL Australia freights building and construction material off the Australian coast. Owned by Canadian Shipping Lines, the company entered the market in 1999 when cabotage arrangements required Australian licensing. Since then the fleet has grown from two to 12 ships. Another significant growth factor has been the ships' innovative self-unloader capabilities.

CSL Australia own and manage the ships with a staff of 19 in the Sydney head office.

Although the company stipulates staffing requirements (and pays for training) it is INCO, a separate organisation, which employs ships' officers and crews. INCO is contracted to manage recruitment, rostering, training and development, payroll and industrial relations.

A shortage of skilled workers in the maritime industry has led to a range of initiatives to retain a more stable workforce, including training, mentoring and job rotation.

Communication + Experience = Innovation

Management encourages a culture of open communication at CSL Australia. Staff see all of the monthly data on trade and profits and visiting international managers share financial details.

It's refreshingly open in terms of our staff; there's really nothing that they're not able to see or hear.
(Chief Operating Officer)

The company values the expertise of its staff, all of whom have a long history in the maritime industry either at sea or on the commercial side. Their input is necessary to plan the company's strategic direction.

We've just had a strategy session where there were 10 of the 19 people in the business here ... [identifying] ... key strategic options that we might want to take up ... It's an inclusive sort of place; people aren't allowed to just sit in their box and keep their head down—we encourage everybody to be involved.
(Chief Operating Officer)

Employee involvement in continuous innovation and the inclusive management style has generated growth and loyalty.

If we're not innovative or productive then obviously we don't do very well financially. There's a very direct relationship between what our people do, particularly in this office—what they do and how they work and our ... performance. People understand what they do, how it impacts on the business... they know how the business will benefit ... I think all of those things combined actually help to keep a fairly high level of staff retention.
(Chief Operating Officer)

Innovation has taken the company into new areas like operating the world's first transshipping platforms. These allow cargo to be sea freighted from small ports that lack infrastructure for large ships.

We have the opportunity to encourage people to think outside the square; how we're going to do something ... I guess innovative thinking around customer problems ... That's all part of the mix of skills we have ... having former seafarers. One of the things we do have in this office is a good mix of personality types and so on ... the hawks and the hens and the doves sort of thing.
(Chief Operating Officer)

Ever changing customer requirements drive the company to develop their people.

Our customers get more sophisticated in terms of ... their contract management processes, their safety and environment requirements, so that forces us to comply; contracts become more and more demanding in terms of things other than what you'd call "shipping" so if we're going to stay in the market we've got to continue to improve our capability of our people.

(Chief Operating Officer)

Job redesign

Management and the Maritime Union of Australia agree on the value of developing skills. An agreement was reached to upskill the Able Seaman (AB) role into the Integrated Ratings (IR) position. Their skills cover operating ships, some maintenance or cargo handling or cleaning.

INCO recruited out-of-work tradespeople for the IR position.

It was taking a pool of tradespeople that were out there and finding it hard to find work ... and retraining them into the industry so that you had that onboard maintenance skill which you would previously have got shore contractors in to do ... if you had trade skills you could do more on the vessel.

(HR Manager, INCO)



The enterprise agreement allowed these tradesmen a \$10,000 incentive payment when they got their IR qualification. Unfortunately for CSL, the skill set was perfect for the offshore oil and gas industry.

A lot of those guys started chasing the off-shore rates of pay as well, so it was quite a knock with the training dollars that we'd invested, giving that we were paying them quite high wages in the first place and not getting two years return on investment out of them once they'd been qualified.

(HR Manager, INCO)

CSL Australia responded by hiring more school leavers. CSL Australia supports METL—the Maritime Employees Training Limited, a joint union-employer industry training body which directly employs cadets to encourage more Australians into the industry.

I'm actually looking at the possibility of dedicating one of our ships as an industry training vessel whereby obviously there'll be some experienced crew on board but it will become the vessel that all the young cadets and new IR's who are looking to get into the shipping industry will train on.

(Chief Operating Officer)

CSL & INCO—managing ships; training seafarers

CSL Australia supports the onboard training culture with a training budget and a list of expectations: INCO must train beyond minimum requirements of the Australian Maritime Safety Authority (AMSA).

We have very expensive assets out there ... we want to look after and keep them operating as well as they can and continue to meet our customers' requirements ... so there's a genuine commitment to training and development ... we look at our statistics and where are people getting hurt, what's not working and then focus some specific training.

(Chief Operating Officer)

CSL supports and pays for all training, for example if a fitter wants to become an engineer.

I came to Australia, work for INCO with just an AB Certificate, but INCO put me through the course; now I've got an Integrated Rating Certificate and now I'm a Chief IR ... I've already asked to do an Officer's course as well ... We're just waiting for the right time.

(Employee)

Informal mentoring occurs on the ships at senior and junior levels.

Every afternoon I've had a deal with the Captain—he wouldn't mind me going up on the sea chart [to] do some work. He said 'If you want to learn it go ahead and do it' and they teach me new things... They always encourage even the IRs; there's no problem. They can come up and learn on the bridge.

(Employee)

External mentoring for female staff at CSL Australia through the Institute of Logistics gives them exposure to the approaches of other businesses.

It's quite a formal process they work though ... access to mentors external from here—both male and female—typically female and typically successful women in transport and logistics.

(Chief Operating Officer)

This willingness to go the extra mile in supporting the capability of staff is a central reason for the continued expansion of the business.

Dexion re-skill their employees to open the door to opportunities



In 2009, Dexion, a well known provider of commercial workspaces, integrated systems and industrial storage solutions, introduced a new continuous improvement philosophy in its industrial division following a change of management. This has resulted in a significant boost in productivity as well as staff morale, job satisfaction, and trust between management and staff.

In fact, Dexion's performance went up by 19.6 per cent in the 12 months to April 2011, compared to 13.2 per cent in the previous year.

Dexion puts its success down to initiatives to help better harness the skills, expertise and ideas of its employees, 50 per cent of whom have been with the company for more than 10 years. These initiatives include introducing new strategies to boost information sharing and employee participation in decision making.

We have standards to operate within and [staff] now have discretion to challenge the standards at any time to be able to redesign them ... we're looking for continuous improvement initiative to deliver productivity, quality and safety improvement on an ongoing basis.

(Operations Manager)

Other strategies such as multi-skilling, job rotation, mentoring, a 'buddy' system, skills planning and training opportunities have also increased the ability of staff to utilise their skills.

An open and participative culture

A major part of Dexion's new approach has been to change the culture of the organisation to become more open and participative for employees, from management down.

It's a very open and learning organisation that encourages people to come up with innovative ideas and rewards people for that.

(Operations Manager)

For example, the industrial division has introduced weekly toolbox meetings in each area of the factory, a monthly consultative committee meeting for work area representatives, and a monthly BBQ hosted by the Operations Manager. This is an opportunity to meet with staff in a more informal setting and recognise their achievements.

Staff have been involved in the design of work to encourage ownership of their role. When a new integrated machine combining welding and roll forming operations was introduced, members of the welding team were involved in the design of the process from pre-delivery through to final integration.

Staff came up with ideas to streamline the process and improve safety and these were assessed and taken on board where appropriate.

The [staff] wanted to take ownership of it and wanted to be part of whatever decisions they were going to make on that because in the long run it was going to make it easier for them; they're the ones that are going to have to operate it.

(Supervisor)

Aligning skills with business need

Dexion uses a skills matrix to determine its skill needs to meet operational requirements. The skills matrix aligns operators (workers) with the tasks required for each business unit. The matrix has a grading system that identifies whether staff are: trainee, competent or expert.

The Manufacturing Co-ordinator and Team Leader identify the skills needs of the team and a review of the skills matrix takes place regularly. Planning is undertaken on a monthly basis and considers past needs and future needs depending on the requirements from the supply chain. The dynamics of the workforce (ie. impending retirements, annual leave) are also taken into account.

Dexion also encourages multi-skilling of its workforce by offering opportunities to work in different units (Paint, welding, roll-forming) of the industrial area of the business. On-the-job training and external courses are offered to facilitate multi-skilling. Multi-skilling occurs within and among teams. For example welders are able to rotate around the different types of welding: robotic, manual and automatic, and also to work on the paintline and in roll forming.

Multi-skilling and job rotation assists in meeting operational needs (eg to cover holiday arrangements) and allows opportunities for workers to learn and apply new skills. Cross functional opportunities also exist between operational and administrative roles. Examples were provided of staff on the shop floor filling temporary positions in the office during periods of leave.

We can back-fill with somebody ... who has expressed some interest in doing that ... and we can offer career opportunities.

(Operations Manager)

Making the most of skills development

In 2009, Dexion teamed up with Western Sydney Institute of TAFE to offer a Certificate III in Competitive Manufacturing, tailored to suit the needs of the business. All staff were offered the opportunity to participate in training, with training for team leaders available at Certificate IV.

Training occurred on-site, with training aligned to the shift patterns. Participants were placed in cross-functional teams which undertook practical projects to identify improvement initiatives in all units of the industrial component of the business.

As well as technical skills, the training has helped staff to improve other skills like time management, presentation skills, administrative skills and quality analysis and problem solving skills. Staff also took part

in projects where they identified new processes and initiatives to save money.

It's nice to see people are confident enough to be able to do that and to grow with the business and take advantage of [the training opportunities].

(Operations Manager)

The training has provided staff with the skills and confidence to suggest improvements to how tasks are performed as well as enhancements to safety procedures. For example, suggestions made on the placement of jigs on the paintline were implemented and have resulted in less powder being used, with an approximate cost reduction of \$400–\$500 per shift.



These days the guys have taken ownership of their work areas and of their machines ... so if it breaks they say "we need to fix this".

(Supervisor)

Better productivity, better performance

To add to Dexion's increase in productivity, injuries have decreased and there has been no lost time to injuries for six consecutive months.

Absenteeism and wastage rates are also measured and have improved. Absenteeism has gone from 4.72 per cent in 2009 to 4.13 per cent so far this year. Wastage rates have also improved from 2.8 per cent in 2009 to be 2.3 in 2011.

Trust between workers and management has also improved, with change from a 'them versus us' approach to a greater recognition of the alignment of company and individual needs. There have also been improvements to motivation and job satisfaction as workers feel that their skills are recognised.

Dexion's employees are now better aware of the challenges facing the business and how they can contribute in the success of the company—which has really helped the company stay on top of growing local and international competition.

Innovation Zone takes GHD to new heights



Harnessing the creativity of its highly skilled staff is among the reasons GHD, a privately owned engineering, architecture and environmental consulting company, has thrived in a competitive market.

The infrastructure and project consultancy firm operates in five market sectors (water; energy and resources; environment; property and buildings; and transportation) and employs over 6500 people across five continents.

GHD has accomplished a 600 per cent growth since the 1990s—despite the shortage of technical specialists like engineers and architects—plus an enviable 88 per cent staff retention rate.

The company's strategies to engage staff in the success of the business have improved processes and opened up commercial opportunities.

If you can attract and retain good people, then you've got tremendous competitive advantage ... There's a long term deficit of skilled people in the sort of business we're in. So, that's really triggered things like well; what have we got to do to make sure that people want to work for us rather than someone else?

(General Manager & Director, Australia and New Zealand)

Innovation Zone

In 2008 the company launched their innovation program, aimed at identifying and delivering new ideas for either commercialisation or for internal process improvement. As part of the program they created the 'Innovation Zone', an internal online portal for staff in all areas of the business to transparently create, connect and share.

Staff submit ideas on ways to improve internal processes or ideas for commercial opportunities. Everyone can collaborate, build the idea and vote on it. An independent committee evaluates and green lights those that will add value to the company. The committee gives feedback to the person who submitted the idea.

We have a group of people, drawn from various parts of the business, who form the Innovation Advisory Group and they decide which ideas go down the pipeline for investment and implementation. And the reason is we're trying to take conventional management lines out of direct decision making ... We're saying it doesn't matter who you are, put your idea out there, your line manager can't stop it but your line manager can comment on it if they want.

(Group Manager Innovation)

If an idea is 'closed' (not taken forward), the person who suggested it is told why and this commitment to honest, timely feedback has helped sustain staff interest through mutual respect.

It's the richness of our discussion ... our engagement process ... that provides for recognition ... that makes them feel happy to remain in our organisation.

(Group Manager Innovation)

Individuals can promote their ideas or have them brainstormed in offline forums like service group meetings.

Innovation Champions are located in all Operating Centres and support and encourage employees to participate in the program. Their job is to inspire their colleagues and influence the company culture to become a more creative workplace where people's ideas are valued and shared and developed.

To encourage people to be a bit more creative and to take some risks in a controlled way. That's what I aim to do.

(Innovation Champion)

The organisation's values of Teamwork, Respect and Integrity are essential to the company's success. The Innovation program can only succeed through team work. The Innovation Zone embeds the company's values. When staff collaborate on an idea there is a prompt that asks "Have you considered the values of teamwork, respect and integrity?" Although encouraged and valued, participation in the Innovation Zone is not compulsory.

We accept being involved in [the Innovation Zone] is not for everyone ... so we don't force it upon people.

(Group Manager Innovation)

More than 1700 ideas, with over 6,000 collaborations have been submitted since the Innovation Program began. Ten patents have been secured and a number of ideas have been successfully commercialised. Internal process improvement ideas implemented have saved the company many hundreds of thousands of dollars per year.

The Innovation Zone has recently been extended to allow staff to submit a genuine challenge or problem they're having in the hope that others will suggest solutions.

Engineers Australia awarded GHD the 2009 Victorian Engineering Excellence Award for Workplace Innovation for its contribution to the personal development of its people.



Handing on the baton

GHD appreciate the value and experience of those employees nearing the end of their careers. These employees can be part of the 'Peer Assist Program' where they are moved around the business to coach staff on projects and advise on problems. GHD motivates them to stay on by offering reduced or part time hours or the option of longer annual leave.

We'll see a lot more flexibility towards the end of people's career so that we don't lose those skills. Or at least transfer some of the knowledge.

(General Manager & Director, Australia and New Zealand)

Knowledge and skills are transferred through a mentoring program where staff can choose to be a mentor or mentee. Participants get time off to meet and management covers the cost of lunches.

Senior staff formally rotate through different service areas. Graduates are rotated through projects and will help manage small projects to develop their leadership talent. Career Development Assignments permit staff to transfer to a different group or geographic location for six to 12 months.

Training—keeping them with us

GHD's approach to formal training is based on a 'Business School' model that encompasses technical training, management and leadership and personal development. This format allows economies of scale and consistency across business units. Training can be for skills required for specific projects or for career development.

It's a virtual business school so you know it doesn't have a very big campus somewhere but it has a whole heap of programs some of which we've tailored and developed ourselves, others which we've outsourced. All with the objective of developing our people through their career to 1) meet our future needs but also so they meet their own aspirations. If you go back to what I said originally, these people are in enormous demand. If they don't get the sense they are developing to their full potential at GHD they'll leave. It's more than just getting the skills we need in the future; it's an integral part of keeping them with us.

(General Manager & Director, Australia and New Zealand)

Other strategies to encourage engagement and commitment are the staff shareholder scheme and opportunities to develop non-job specific skills or to contribute to humanitarian causes like the Register of Engineers for Disaster Relief.

Clients, People, Performance

The strategies to attract and retain staff, and make the best use of their skills and experience, are aligned with the business strategy's three core objectives: Clients—providing better services; People—creating a culture of encouraging and valuing new ideas; Performance—increasing business efficiency (internal) and building and expanding the services that GHD deliver through commercialisation opportunities (external).

These initiatives have been instigated and driven by a leadership team that knows high staff participation and engagement pays dividends.

We put a lot of effort into making GHD a great place to work.

(General Manager & Director, Australia and New Zealand)

GM Holden staff steer towards the future



Holden Vehicle Manufacturing Operations has met the challenge of highly competitive market conditions by working with staff to innovate. This has kept costs down and helped keep the company afloat in Australia during the global financial crisis.

Management recognise that front-line workers have the skills and experience to identify better ways of doing things. Through its continuous improvement approach, the company has improved processes and products, all the while meeting quality and safety targets. This has resulted in significant cost savings.



Innovation is supported by an environment of trust and open communication between staff and management. Productive working relationships between management and the Australian Manufacturing Workers Union also enable the focus on continuous improvement.

The approach has engendered staff loyalty and commitment and management acknowledges this has

been a significant factor in improving productivity and keeping the business internationally competitive.

Rewarding innovation and continuous improvement

Holden Vehicle Manufacturing Operations encourage and reward innovation. At monthly work group meetings staff spend one hour brainstorming better ways of doing things. A measured suggestion scheme garners at least one idea from each employee every year.

The ideas you get from 3,000 people ... my managers can't come up with that many ideas. I see a massive benefit from engaging those people. If only 20 per cent are implemented, there is still a good return.

(Executive Director, Manufacturing)

We're always looking for some type of improvement; there's always a better way of doing it. Again, we've just got to make sure, as part of the culture, we follow the process for that.

(Shift Manager)

This process for innovation, or to put in another way, Holden's culture of continuous improvement, is an effective skills utilisation strategy because its egalitarian approach enables employees to bring all of their skills and ideas to bear in devising a solution to a problem.

By tapping into the creativity of workers, the organisation is able to make changes that improve productivity. Employees that are engaged in a tangible process that makes their jobs easier or more efficient and satisfying are willing to invest more of themselves in the company's success.

Central to this approach is the recognition that all parties have a major stake in the ongoing success of the business and that everyone has a role to play.

If you start using the skills that you've currently got in the place you can actually make some big improvements but it also brings ownership back in. It's like anything that you do or any job, if you believe you've got ownership you'll hold it, you'll keep it, you'll cherish it, you'll make sure it's treated correctly ... generally people will sit there and go "Well that's mine; I'm going to look after it, I'll make sure it gets done properly"—that is a large part of where that is.

(Shift Manager)

Employees' suggestions have over time, generated considerable savings through efficiencies to processes; quality improvements to products; and safety ideas to prevent injury and production stoppages. The cost savings from employee ideas are valuable and measured by the company. And employees are recognised and rewarded for their contribution.

The culture of continuous improvement, staff involvement in the bigger picture and the opportunity to train and develop means employees are interested in their work. Management acknowledges this is key to the company's viability.

At this point in time it's ... really about ensuring that our employees are highly skilled so that they are delivering a quality product so that we're going to be competitive and we'll have a viable future.

(HR Manager)

The approach is underpinned by management making information about the performance of the business transparent so that workers know how the company is tracking.

if people can't see where the business is in relation to where it should be, how on earth can they then go back to their people on the shop floor and talk to them ... just to hear it once a year when Holden publishes its annual business results at the end of the financial year—it's too late then. It's way, way too late so doing this and making the business results transparent to people I think is one of the best things that we can do as an organisation.

(Executive Director, Manufacturing)

Continuous Development

The company is committed to up-skilling. Advancement is linked to attaining specific technical qualifications. Linking learning to earning and adopting a more transparent system for career progression has been a cultural change for the company.

Training is a continual process for all employees.

One thing we do with all our employees, we continue training. Whether you've been here like I have for 11 years or you've just come in, there will always be some sort of training that you're continually getting from Holden ...

whether you're the shop floor person putting a part on the floor or you're the CEO of Holden.

(Shift Manager)

Besides formal qualifications through on-the-job training (including a Certificate II in Manufacturing), a simulated work environment gives staff hands-on experience so they can competently do the tasks on the shop floor. Job rotation moves staff through different tasks which prevents boredom and limits ergonomic incidents.



Job rotation also happens in salaried roles to give people the opportunity to develop and use their skills in different environments:

... last November I moved my launch manager into an operations role and took my engineering manager to be the launch manager for the plant because I thought it was really good for his development and good for the launch manager development. Now he's managing the product that he launched so it's the right thing to do.

(Executive Director, Manufacturing)

Both formal and informal mentoring occurs and includes a buddy system for new recruits. At management level it's designed to develop leadership skills and it occurs across business areas.

Holden custom designed its training for middle managers—the Potential Area Leader program—to develop individuals into a supervisor role.

We actually got together a forum and from that forum we developed a profile of what an ideal front line manager was like; the behaviour and personal attributes as well as the knowledge base would be—that would produce our ideal front line manager. From there we designed a program in accordance with each of those aspects.

(HR Manager)

Managers at Holden Manufacturing have adopted policies that develop their people and make the most of those skills. Supported by the union and committed staff, it's an approach that's securing a sustainable future for the plant—and their workers.

Building and using skills at **Leighton Contractors** NSW/ACT & NZ



Leighton Contractors Pty Limited (LCPL) is a wholly owned subsidiary of the publicly listed Leighton Holdings Group. LCPL nationally employs more than 10,000 people and delivers projects across the infrastructure, resources, civil construction, industrial and energy and telecommunications sectors. Better using the skills of workers has led to less safety incidents, improved retention and more innovation.

Within the company's construction division, Leighton Contractors NSW/ACT & NZ employs approximately 1000 people with annual turnover of more than \$1 billion. It primarily delivers infrastructure projects and services including rail and road projects and these are often in rural or remote locations. They require considerable forward planning to ensure a supply of skilled workers in an industry renowned for transient employment.

Leighton Contractors NSW/ACT & NZ employs salaried staff working in management, the engineering professions and administration. On a weekly payroll are leading hands, operators, tradespeople and labourers who are generally employed only for particular projects.

The critical need for skilled labour—particularly in rural communities—and the tight labour market led to new measures to sustain and grow an uninterrupted supply of workers. This includes recruiting local labour, which has an additional reputational benefit in local communities.

At the heart of the organisation's approach is a commitment to workforce development planning, continuous training and mentoring employees. So too

is a policy and culture of recognising personal initiative and ideas for safer more efficient ways to work.

The result is less safety incidents, more hazards reporting, innovative practices and high levels of job satisfaction.

Kempsey Bypass Alliance (KBA)

Leighton Contractors NSW/ACT & NZ is a partner in the Kempsey Bypass Alliance (KBA). The project will provide 14.5 kilometre of a four-lane dual carriageway as part of the Pacific Highway Upgrade program. Leighton Contractors' alliance partners include the NSW Roads and Maritime Services, as the owner participant, AECOM and Coffey Geotechnics.

Leighton Contractors NSW/ACT & NZ has applied a work breakdown strategy to the KBA in tandem with an assessment of the skills needs of the company's other projects either underway, finishing or emerging.

Each month management looks at staff whose jobs are finishing in three to six months. Conversations begin with project managers and technical specialists to move them into jobs on upcoming projects. This gives highly skilled salaried staff job security and an incentive for them to stay with Leighton Contractors rather than seek jobs elsewhere.

The second part of the process is to investigate the local labour market three months prior to commencement and recruitment. Giving locals jobs is a way to support and connect with the community. The Aboriginal Involvement Plan has also identified trainees at the KBA project.

For KBA, skills were identified and mapped against the availability of Leighton Contractors existing employees. Locals were recruited to fill operator and labourer roles. Their skills were audited to identify skill gaps. Personal aspirations were discussed and training offered to get the full complement of skills necessary for the project.

Training for everyone

Many workers on the KBA are undertaking the Certificate III in Road Maintenance and Construction with the North Coast TAFE. During wet weather, operations stop and workers go into the site office for training. If possible, engineers, foremen and managers deliver the training materials. As most of the on-site training is for the job the new skills are utilised immediately.

Training and placement are inseparable. We don't train people to work in one area and then allocate them to do something else. We train them specifically for the task they will deliver and encourage them to use and further develop those skills on the job.

(General Manager—Construction, NSW/ACT & NZ)

A deployment program gives operators like scraper drivers the opportunity to re-skill and move to a different job on the project once the scraping part of the project is completed. It's a similar approach for engineers who may have expertise in one field but are rotated to gain experience in another. This ensures employment continuity for skilled workers both on the project and after it's finished.

We try to give people a broader range of skills so they can stay with the project right till the end.

(HR Manager, KBA)

To address the longer term skill needs of the company, Leighton Contractors also encourages people to stay on and work on other projects.

People who see there's a career opportunity or a career path through a company, stay because they can see they are being looked after and if they put in the effort they will be recognised and given the opportunity to move on.

(Project Manager, KBA)

Technical staff are trained in people management to transition into leadership roles. Similarly engineers are trained in financial management to gain a more comprehensive skill set. Leading hands are given supervisory, communication and people management skills to supervise workers who were previously peers.

We have a commitment to develop people on the project ... we want people to come off the project in a better state ... in terms of experience, skill-set and remuneration.

(HR Manager, KBA)

Innovation Participation Safety

Workers have a say in how they perform their job at the daily pre-start briefing. Safety is a standing topic. Employees can suggest improvements or raise concerns, for example around behaviours that don't accord with the project's values of respect and integrity. These are communicated at the pre-starts, the weekly Toolbox meetings and the monthly mass Toolbox where the whole site comes together.

Employees are empowered to stop the job if they don't feel safe. Safe Work Method Statements, which detail how specific risks in the workplace will be managed, are developed and reviewed by all workers. This is aligned with the LCPL value of 'Safety and health above all else'.

I know the safety values; that reigns supreme here... safety foremost is the one value I know they stick strongest to.

(Employee, KBA)

Workers feel empowered to input into management decision-making.

On the KBA project we have a consultative committee which includes a representative from each work group and they make a dynamic and positive contribution to improvements for their project.

(HR Manager, KBA)

As a result of training and the participative process, the KBA project salaried staff turnover is down to 17 per cent—significantly less than the sector's 25 per cent national average.

Leadership Communication Values

Establishing a culture of open communication and acceptable work behaviours for the project—and doing the hard work to maintain the culture—is another reason for its success.

The company's people-centric approach is embedded in the value "Our people are the foundation of our success" and the Kempsey Bypass Principle "We will invest in our people including individual development programs".

I think the biggest way we get it [our values] out there is in our actions; it's what we do, what we as a management team do, what we as a support team do—that's what makes a site and the people a success ... people are prepared to put it out there ... put out the ideas, go the extra yard.

(Project Manager, KBA)

Collaboration and cooperation between the partners and building a good lead team is contributing to the KBA's success. All partners feel they are working toward a common goal and employees report an open, collegiate environment.



Good Prognosis for Murrumbidgee Local Health District



Designing the role of rural allied health assistants has spearheaded change that has cut patient waiting times and improved health services in regional and remote areas of southern New South Wales.

The initiative was initially developed and implemented by Greater Southern Area Health Service (GSAHS) in 2005–10. It is among new staff development and work practices designed to overcome rural skill shortages being consolidated in a new health service, Murrumbidgee Local Health District (LHD).

Murrumbidgee LHD formerly part of Greater Southern was established in 2011 following national and state-based health reforms and is seeking to embed workforce development across the new organisation.

The fact that we're a new organisation ... there's the opportunity to think a bit more creatively and dynamically about the organisation and how it should function.

(Chief Executive)

The catalyst for developing a qualified assistant role in Greater Southern was to enhance allied health service delivery to rural communities by making services more equitable and sustainable.

The change has improved the skills of unqualified but experienced aides and developed their latent talent. The organisation now has a more efficient and productive allied health service since redesigning the entry-level aide role.

If I had a trainee 15 years ago I would have been looking at 'Okay, this person can deliver equipment, this person can do this or just do that'. I'd be thinking very prescriptively, whereas now my long term goal for this person is to be a really active part of what is now ... a completely different scope of practice basically.

(Supervisor)

The new, clearly articulated career pathway has improved job satisfaction and raised productivity. Perhaps most significantly the change has led to measurable improvements in patients' health.

Redesigning role

Redesigning and expanding the role of therapy aides into allied health assistants has freed professionals to use their time more effectively because they're getting more support.

Greater Southern set about redesigning the role by firstly consulting with the allied health professionals who in three workshops designed the role which involved: a role-specific work task analysis; identifying tasks suitable for an allied health assistant; developing a training strategy of flexible on the job training supported by education resources.

A partnership involving GSAHS allied health professional staff to write resources and supervise 'on the job' training was formed with a registered training organisation. To provide strategic advice and support a state-wide steering committee was convened; comprising representatives from commonwealth and state vocational education sector organisations, NSW Health, industry bodies, a trade union, a tertiary education institute and directors of allied health from the other NSW rural area health services. This partnered approach raised multiple viewpoints and discussions that produced a workable way forward.

Giving allied health assistants responsibility and flexibility in the way they do the job, and identifying avenues to improve processes were other reasons the new role has worked so well. Staff mentoring and support networks have also been critical.

It's been a bit of a learning curve I think because traditionally the assistant's roles are very contained but the more we have them and the more they can work through to their competencies, the more scope we can see for the role. I think that's really

opened the eyes of a lot of the professionals to see that "Oh they don't have to just be doing small repetitive things" they can actually take on broader responsibilities and they'll free up the time of the professionals to do higher level duties as well and broaden the services that they've been able to offer.
(HR Manager)

Wait from two months to two weeks

After the Deiliquin Community Health Centre recruited an allied health assistant the wait time for a dietetic appointment went from two months to under two weeks.

An audit of the dietetic service at another regional community health centre showed improved weight loss and key nutrition care plan goals.

Better utilising the assistants' skills to take over the routine administrative tasks and implement care plans—which previously only the professionals were permitted to do—gave the professionals more time to deploy their expertise.

We're getting very positive feedback from both the assistants, who are really enjoying the opportunity, and also from the professionals—even from some that may have been a bit uncertain to start with—they're definitely seeing the benefits ... it saves them [professionals] time but it also means that they're more targeted ... it's freed them up to run more programs, see more clients, reduce their waiting lists. It's a much more satisfying way for them to work.

(HR Manager)



Continuity of care has improved because allied health assistants have the capacity and opportunity to give follow-up care and support. Clients and patients needs are addressed more quickly.

The assistants bring local knowledge to their job. This helps patients feel comfortable because they're dealing with a person who works and lives in the area. Now, when positions for allied health assistants are advertised more people apply.

In a rural setting when you've got someone who's been working for 15 years in a position, their local knowledge is a resource and that's something that can be used in a positive way.
(Supervisor)

Professionalising role

Career pathways for both professionals and assistants have improved. Allied health professionals can study for the Certificate IV in Training and Assessment qualification and allied health assistants can now undertake a bachelor degree. Partnerships are in place with public training providers and a higher education institution.

This career development has improved succession planning.

We've got some allied health assistants that have moved on to other jobs so there has been a progression from a career point of view ... There have also been allied health assistants that had worked in a position for a really long time and now they've got recognition for that.
(Supervisor)

The assistants have welcomed the opportunity to supplement their practical skills with formal training to gain theoretical knowledge of client care:

I think it gave me a better understanding of ... why you needed those skills. I got the theory side which then you match the two together and you really understand ... why things are done that way.
(Employee)

The certification of the assistants' role gave employees more esteem and led them to personally invest more in their jobs.

I felt that gave me a bit of recognition as far as ... I wasn't just an aide; I actually had a name 'Allied Health Assistant'. I think it actually gave me a bit more responsibility ... Before I would go on a home visit but I would probably go with either the physio or the OT or something; ... but then you had the piece of paper to say that you can go by yourself so then I was able to go and deliver the equipment by myself and set it up because I'd been trained in how.
(Employee)

The allied health assistants at Murrumbidgee LHD feel much more enthusiastic about their role. Their skills are being fully utilised allowing them to be more involved with patient outcomes.

Now that the model of care is more flexible the work is more rewarding for both the allied health assistants and the professionals. Their valued place is not just good for Murrumbidgee LHD. It's also good for patients in southern NSW.

Pottinger's wisdom— giving and taking advice



Pottinger is an independent financial and strategic advisory company meeting a market niche in the financial sector. Pottinger has attracted and maintained a highly-skilled workforce through a suite of employee-focussed initiatives that support staff to give of their best.

Pottinger's staff advise large corporations and governments on corporate strategy, mergers and acquisitions, and capital management and financing.

Skills audits, mentoring programs, internal knowledge sharing, opportunities for staff to contribute to business strategy, formal training, permission to work autonomously and use discretion, matching staffers' personal goals/professional needs with opportunities to develop and use skills—this has created a work environment that has vastly improved profitability and project results.



At Pottinger, staff performance is high and turnover is low. Their crucial role in developing the business strategy contributes to high morale. It reflects the fact that results largely depend on good staff-client relationships and individual effort on projects.

Employees have a collective investment in Pottinger's success. Conversely management acknowledges that committed employees are essential to the company's ability to evolve and innovate.

We have gone from a firm with one client to multiple clients. We employ multi-skilled people ... That's absolutely contributed to profitability because I don't think we would be where we are today if we hadn't been able to garner those skills and use them over the last couple of years to help navigate our own path.

(Joint CEO)

The company enjoys solid client relationships with repeat business increasing five-fold in the past three years. In this time 50 per cent of new clients have become repeat business, generating 90 per cent of fees. More than half of new clients have come from personal referrals—proof of how effectively staff connect with their customers.

For a record five consecutive years, Pottinger's commitment to its employees has been recognised through the accolade of Recommended Employer in the Australian Business Awards.

Come up with very new solutions

People are integral to Pottinger's business strategy, with skills utilisation "deeply embedded in our DNA since birth—it is part of why we established the business in the first place." (Joint CEO)

Staff are encouraged and expected to share their ideas about the strategic direction of the company.

We had a session three or four weeks ago. We went out to dinner and asked, 'What are your thoughts on how we should be more effective in our strategy, and in developing our strategy and developing our business to achieve that strategy', essentially taking the same approach that we might take with clients to ourselves.

(Chief Operating Officer)

An emphasis on ethical business practices and sustainable leadership is also at the core of Pottinger's business strategy, as the CEOs 'wanted to create a place in our industry that we never experienced ourselves ... [where] people would say "I just want to work somewhere where you're really proud of what you do"'. (Joint CEO)

Employees have significant discretion in their jobs—essential given the project-based nature of the work where tasks and roles change frequently. Roles at Pottinger are broadly defined however staff are expected to be skilled, free thinking and able to work autonomously.

[Our people] need to be able to do everything. One of our competitive advantages in terms of what we do for our clients is our ability to be innovative and come up with a very new solution to whatever challenge they're trying to solve.

(Chief Operating Officer)

Diversifying work assignments

Pottinger identifies the skills that are integral to each job and to the organisation through skills audits, a mid-year review and a formal annual review. Individuals are encouraged to identify their own training needs and goals.

There is a level that each grade of person is expected to be able to [reach], dependent on their experience, and then we rate their capability against that.

(Chief Operating Officer)

The audit identifies skills gaps to be filled by formal training or practical training exercises. Sharing and diversifying work assignments transfers knowledge and broadens and strengthens the company's expertise base.

Training opportunities are designed to ensure a minimum level of knowledge across relevant areas, whilst providing staff with the chance to acquire new skills and knowledge to deepen their expertise. This serves both the individual's and the company's long term needs.



Specialist training is sourced externally. The company supports staff undertaking further study if it aligns with business priorities and the individual's personal development plan.

Mentoring

Pottinger uses both internal and external mentors to extend their managers and develop emerging leaders. Mentors also support staff in their day-to-day roles. There is an internship for university students and a program for new graduates joining the company.

Reward and recognition boosts employees' commitment. Pottinger has a formal equity participation plan which calibrates senior and long-standing employees' remuneration against the firm's performance. Employees are personally invested in the fortunes of the company.

Our bonus is very much driven on the performance in that year or the expectation of the overall firm's expected performance. I think of it more as a recognition of commitment rather than as a reinforcing element; I think again, people who are here are very much committed to the firm and committed to the growth of the firm.

(Supervisor).

Employees occupy a strategic role in this successful company. It's why Pottinger has adopted strategies that maximise employee participation in all levels of the business.

RSPCA—Nurtured staff nurture animals



In 2002 a new business model at RSPCA Victoria helped put the skills of employees and volunteers at the centre of its mission to protect and save animals.

The results have been outstanding—lower Workcover premiums, better staff retention and less injuries.

By making strategic changes the charity achieved its goal to become more financially viable and make better use of its resources.

RSPCA Victoria operates across 10 sites with around 350 paid staff (about a third of which are part time) plus 1500 volunteers. Community donations fund most of its annual \$29 million budget with around \$1 million contributed by the state government to pay for inspectors.



Following a governance review RSPCA Victoria is now run by a Board of nine directors elected by RSPCA members. A CEO committed to fostering leadership and a new culture of accountability—underpinned by strong values—signalled sweeping changes for the 140-year-old organisation.

Traditionally like most not-for-profits, they never considered it important to invest time, resources, energy into developing the people of the organisation. The structures—they didn't do a lot of work in strategic planning and people management and OH&S; none of those internal structures or systems were here.

(CEO)

The new corporate strategy was an opportunity to engage with staff and to help them understand that they're a part of the strategic plan to make sure that they know they can help us achieve that.

(HR Manager)

RSPCA Victoria is improving the efficiency of the organisation by developing the workforce and organising work to maximise the use of skills. Staff retention has improved by almost 43 per cent between 2008/09 and 2010/11.

When I first started we didn't have a whole lot of this stuff; there wasn't much organisation—there wasn't much training, there was a high turnover, lots of people coming, going, coming and going but we're generally getting the staff to stick ... The staff are getting a lot more out of working here so they're obviously getting a lot happier.

(Employee)

The training and improved workplace safety initiatives have reduced injuries. Workcover premiums are now around \$150,000, a fraction of the previous \$800,000 annual payment.

Redesigning jobs for better care

As part of the organisational change, the role of the senior animal attendant was redesigned to include the role of supervising more junior staff. However the job redesign had not worked in practice because without management skills they had simply continued working alongside junior staff.

We almost set people up to fail; we put them in charge of groups of people and we hold them accountable for delivering outcomes of the team but the conclusion we came to is we haven't really skilled those people up. They're kind of on the ground operating as if they were just team members rather than knowing how to step up and actually become the Team Leader.
(CEO)

In a resource constrained environment, RSPCA Victoria considered how they could fund management training for senior animal attendants and revisited the Amsden Leadership and Management Scholarship. Established with donor funds to develop future RSPCA leaders it supported only one emerging leader. The policy was re-written (in consultation with the donor) to invest the money on collective training for senior animal attendants transitioning into management duties.

The course which the Australian Institute of Management (AIM) tailored to meet the RSPCA skill set gave senior animal attendants the skills and confidence to be supervisors. They learned how to support their staff doing the hands-on animal care.

[The participants] loved it; they've all been able to take things immediately away and apply from day one. They've had a great opportunity to reflect on their personal style and their colleagues' styles. It's actually really cemented them as a group of people together and they actually now problem solve quite differently and kind of know who to go and talk to, to get a different perspective or to perhaps fill a gap in their own skill set. It's actually really changed the culture quite significantly.
(Executive Manager for Animal Services)

In their new role as the Team Leader the senior animal attendants have increased their confidence to manage. They also seek staff input into decisions.

We're always trying to improve the processes for adoption and look at better ways of doing things ... I really try to make sure the team is involved because they're the ones working at the frontline and know what the issues are.
(Senior Animal Attendant)

Training and Mentoring

Training to become skilled in animal care is very much part of working at RSPCA Victoria for all staff. When people are well-trained they are better organised and better able to look after the animals in their care. It also reduces injuries from preventable dog and cat scratches.

Staff identify their goals and training needs. Training assessments, annual performance reviews and performance plans are collaboratively agreed between employees and managers. Formal training is complemented with sharing knowledge and opportunities to work in other roles.

The necessarily limited training budget means all training must be relevant and directly applied.

[There is] a process that we go through to identify 'Are these courses actually going to meet the need that we've identified as the issue, or is it just a course that we're sending somebody on.'
(HR Manager)

A formal year-long mentoring program coaches trainees to apply what they learn through on-the-job training. Informal mentoring is available for junior and senior staff.



So we'll go and buddy up with a more senior trained staff member and then they'll take you through the day ... It's basically a hands-on experience so while you're working, you're following someone around, you learn the processes and what happens in the workplace and how to deal with different difficult situations.
(Employee)

Training and development has lowered the turnover rate of volunteers and changed the mindset that volunteers, an easily replaceable free resource, don't need development.

Every time you have a disgruntled volunteer leave, that's your reputation walking out the door. They'll go and tell all of their friends and how many other people—'There I was trying to contribute to that organisation and no-one trained me, no-one looked after me'—it's a really bad look.
(CEO)

Training for all staff covers workplace safety (first aid and occupational health and safety), people and communication skills, wildlife and animal care.

You can't possibly deliver good outcomes without training and developing your people ... I always maintain you can't do anything for the animals unless you have well-skilled and trained people to deliver those services.
(CEO)

Woodside's skill pools a resource for success



Currently the largest operator of oil and gas production in Australia, Woodside is seeking to further expand its business through several major liquefied natural gas (LNG) growth projects and other select opportunities.

Five years ago Woodside introduced its skill pool strategy to fully develop and utilise its 3,500-strong workforce. The company needed to address the severe skill shortages facing the sector and to sustain the company's growth.

Skill pools develop and rotate staff to meet the company's long term needs. This company-wide initiative enables staff to consistently extend and use their skills. The approach has dramatically improved staff retention.

Woodside has an extensive portfolio of facilities which they operate on behalf of some of the world's major oil and gas companies. Their operated facilities include five LNG trains, three offshore platforms and four oil floating production storage and offloading vessels. With an additional LNG train and offshore platform currently in final commissioning, this diverse range of assets allows staff to develop.

Skill pools are run by staff with a dual role—they are often both line manager and skill pool manager. They are accountable to Woodside's senior leadership for the skill pool's success.

Managers interview individuals and assess their training needs against the skill pool competency framework. Skills are rated from 'awareness' through to 'mastery'. Their competencies are then discussed with their line manager. This produces a gap analysis and identifies where more training or job exposure on special projects are required.

Staff are matched to particular jobs but they are also being developed for deployment across the company as needed.

Exposure to more roles

Many staff are in a job for two to four years before they are rotated. The match is based on two things: firstly filling the gap in their skill profile, and secondly where the vacancy is in the business. This process underpins recruitment from outside.

It helps me target recruitment and make sure the skill pool fit is right. I mean on 60 people you don't really have to recruit the perfect person in a specific vacancy; you can actually look and say, 'Well, okay, there's a vacancy in this team, however in the skillpool base we need a person with this quality.' So we'll fill the vacancy from within the skillpool, and recruit somebody with the skill set that is missing.

(Skillpool Manager)

At the end of the year staff update their competency profile and follow up with a discussion with their line manager or skill pool manager, to confirm their self assessment. This feeds into their individual development plans for the coming year.

The broad scope of skill pools exposes individuals to a greater variety of roles and this reservoir of staff consistently up-skilling is ideally suited to Woodside's matrix structure.

If I've gone and done training in a particular area I have competence ... people across the skillpool are aware of that and then you can become involved in particular projects because you'd be a subject matter expert.

(Employee)

Woodside staff are accountable to both their line supervisor and their skill pool manager for development.

So you've got the 'what I'm doing and how I'm doing it in my current job', and there's the 'what I want to do in the future and how am I going to develop in the future, and what's my next job look like' ... for example, I have working for me a finance manager. His next role? I don't decide his next role; the skill pool will work out his next role. So I might say, 'Well, you've done a really good job this month or this six months or this year,' but I actually can't tell him when he's going to rotate and what his next job's going to look like. And I can't really even tell him what skills and competencies he needs to develop; the skill pool provides that for him.

(Vice President)

Support for career path

Line managers cannot insist on retaining a staff member but the skill pool manager must gain their approval before rotating the staffer to another job.

Development reviews are often a three-way conversation between the employee, their line manager and their skill pool manager. It means individuals can rely on someone other than their supervisor to support their career path. For example if a mechanical engineer is working on a project with a civil engineering team leader, it's the civil engineer who will give them feedback on their day to day work. But since their discipline is different, they will also get feedback from a manager in the mechanical engineering skill pool.

They (the mechanical engineer line manager) will be saying, 'Well, we expect you to be in this type of role for another 12–18 months, but as part of your development, you need to get a job in construction.' So instead of you having to go and find [a role] in construction, the skill pool's looking for opportunities for you in construction. And when that opportunity comes up, they'll say, 'Well, we've got these three people. And when are they available?' Well, the workforce plan gives you that availability ... The line manager here still interviews them and makes the final decision. That [process] gives you that internal pool of candidates pretty quickly.

(Vice President)

By developing staff through the skill pools Woodside reduces its reliance on filling vacancies on the open market. It also gives employees a line of sight to their career path which is designed to be an incentive for them to stay with Woodside. The skill pool structures the internal search for applicants who, as part of their career development, match the vacancy because it's the "right next job" for them.

Line managers do not make isolated decisions to fill vacancies. They accept that the skill pool managers are there to achieve the greater good and are prepared to work collaboratively to get the right mix of skills, both for the current role and the organisation longer term. This 'creative level of tension' works.



Woodside knows that the only way to achieve its corporate objectives is through its people. By building capability from within—encouraging people to extend and use their skills, particularly 'high potential' staff—they raise morale and enrich the company's culture.

Staff development—combined with the variety of work across the business—plus a culture of open communication are reasons staff give for joining Woodside.

... the things that have attracted me to Woodside were all of those intangibles ... the development opportunities and feeling like you're contributing and making a difference and that your voice is heard, and they're all the things that Woodside does. So yeah, I'm very happy.

(Employee)

Contacts and further information

Australian Government

Enterprise Connect

www.enterpriseconnect.gov.au/Pages/Home.aspx

Enterprise Connect is part of the Department of Industry, Innovation, Science, Research and Tertiary Education and its goal is to connect businesses to the knowledge, tools and expertise necessary to improve productivity, increase competitiveness and fully capitalise on the growth potential of businesses.

Skills Connect

<http://skills.gov.au/SkillsConnect>

Australian Government Skills Connect is a new service designed to help link eligible Australian enterprises with a range of skills and workforce development programs and funding. It will provide a gateway to information and support that will connect businesses with Australian Government funding that meets their unique business or industry training and workforce development needs—helping them to build productivity and improve the future of their business.

Workforce Development Fund

www.deewr.gov.au/nwdf

Through this fund, the Australian Government will provide \$558 million over four years to industry to support training and workforce development in areas of current and future skills need. Under the Fund, enterprises can identify their current and future business and workforce development needs and apply for funding to support the training of existing workers and new workers in the area of need.

In May 2011 the Government announced it would extend the role and functions of Skills Australia under the new Australian Workforce and Productivity Agency, whose remit will include administration of the Workforce Development Fund.

Skills Australia

www.skillsaustralia.gov.au

Skills Australia is an independent statutory body, providing advice to the Minister for Tertiary Education, Skills, Jobs and Workplace Relations on Australia's current, emerging and future workforce skills needs and workforce development needs.

Industry Skills Councils (ISCs)

AgriFood Skills Australia

www.agrifoodskills.net.au

AgriFood Skills Australia is an Industry Skills Council whose role it is to provide accurate intelligence on current and future skill needs and training requirements for the agrifood industry.

Construction and Property Services Industry Skills Council (CPSISC)

www.cpsisc.com.au

CPSISC represents the workforce training and skills development needs of the construction and property services industries.

Community Services & Health Industry Skills Council (CSHISC)

www.cshisc.com.au

CS&HISC is the recognised advisory body on skills and workforce development across Australia for the two industries of community services and health.

ElectroComms and Energy Utilities Industry Skills Council Ltd (EE-Oz)

www.ee-oz.com.au

EE-Oz is the Industry Skills Council for the ElectroComms and Energy Utilities industries and is the body responsible for developing and maintaining the National Qualifications within the National Training Packages under its coverage.

Skills DMC

www.skillsdmc.com.au

Skills DMC is the nationally recognised advisory body providing skills and workforce development needs in the Resources and Infrastructure sectors serving a variety of stakeholders engaged in the mining, drilling, quarrying, and civil infrastructure sectors.

Government Skills

www.governmentskills.com.au

GSA is the national Industry Skills Council for the government and community safety sectors representing the Vocational Education and Training (VET) and workforce interests of **Correctional Services, Local Government, Public Safety, Public Sector and Water**.

Manufacturing Skills Australia (MSA)

www.mskills.com.au

MSA is the national Industry Skills Council representing Australia's manufacturing industry to ensure that the skills needs of enterprises are being met.

Auto Skills Australia (ASA)

www.autoskillsaustralia.com.au

Auto Skills Australia (ASA) is the national industry body responsible for the development and maintenance of nationally accredited automotive training qualifications in Australia. Its key functions include ensuring that workforce development plans equip automotive businesses with the skills needed for today and for the future.

The Transport and Logistics Industry Skills Council (TLISC)

www.tlisc.org.au

TLISC represents the Transport and Logistics sector, which covers Road Transport, Rail, Warehouse and Storage, Maritime and Aviation in Australia and employs an estimated 500,000 individuals directly.

Innovation & Business Skills Australia (IBSA)

www.ibsa.org.au

IBSA is an ISC whose mission is to build capability, professionalism and innovative capacity in the six industry sectors of Information and Communications Technology, Education, Business Services, Cultural and Related Industries, Financial Services, and Printing and Graphic Arts.

Service Skills Australia

www.serviceskills.com.au

Service Skills Australia is an ISC representing a range of industry sectors, including retail and wholesale, sport, fitness, community recreation, outdoor recreation, travel, tours, meetings and events, accommodation, restaurants and catering, caravans, hairdressing, beauty, floristry, community pharmacy and funeral services.

Forest Works

www.forestworks.com.au/aboutus

ForestWorks is an ISC whose aim is to assist the forest, wood, paper and timber industries with their skills development objectives through national industry skills standards and qualifications.

Peak Bodies

Australian Industry Group (AIG)

www.aigroup.com.au

The Australian Industry Group (Ai Group) is a peak industry association representing the interests of more than 60,000 businesses in an expanding range of sectors including: manufacturing; engineering; construction; automotive; food; transport; information technology; telecommunications; call centres; labour hire; printing; defence; mining equipment and supplies; airlines; and other industries.

Australian Chamber of Commerce and Industry (ACCI)

www.acci.asn.au

ACCI is Australia's peak council of business organisations. ACCI speaks at a national and international level on behalf of the nation's peak State and Territory Chambers of Commerce and Industry and National Industry Associations from all sectors of the economy.

Australian Council of Trade Unions (ACTU)

www.actu.org.au

ACTU is the largest peak body representing workers in Australia. It is a national trade union centre of 46 affiliated unions representing about 1.8 million workers.

Professional Associations

Australian Human Resources Institute (AHRI)

www.ahri.com.au

The Australian Human Resources Institute is the national association representing human resource and people management professionals.

www.skillsaustralia.gov.au