

REPORT OF THE DEFENCE-INDUSTRY JOINT TRAINING TASK FORCE

(September 2007)

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EXECUTIVE SUMMARY

The capability of the Australian Defence Force (ADF) will be adversely impacted if the skills shortage facing Defence and the defence industry is not addressed. Factors such as Australia's aging population and the decrease in engineering and technical labour means Defence and the defence industry need to think more strategically about how they secure future skills. A few facts highlight the skills crisis:

- currently 170,000 people join the workforce each year. By 2020 that number is expected to fall to 125,000¹;
- over the next 10 years Australia will need 240,000 additional tradespeople than our current training effort will provide²;
- one in five young adults are not completing Year 12 or its vocational equivalent³;
- 45% of Year 12 students are not studying any science or advanced mathematics⁴, and;
- Defence expenditure on acquisition and sustainment will increase by 20% to \$91 billion over the next 10 years. This means the defence industry needs 12,000 extra engineers and tradespeople in the next decade. 8,500 are required by 2011.⁵

As one means of addressing the ever widening gap between skilled labour supply and demand, in the defence industry sector, the Defence and Industry Policy Statement 2007 (DIPS 07) recommended the establishment of a Defence-Industry Joint Training Task Force (JTTF) to explore opportunities for pooled and joint apprenticeships, and graduate training, where there is significant overlap between the defence industry and Australian Defence Organisation (ADO) skill requirements.

The JTTF was established in early May 2007 and comprises representatives from a cross section of industry including leading defence companies and SMEs; industry bodies; the Navy, Army and Air Force; the Department of Education, Science and Training; and Defence.

The initial role of the JTTF was to make specific recommendations on where the joint training opportunities exist and how they can best be pursued; identify the specific areas that might demand tailored solutions to joint and cooperative training; and monitor and evaluate the implementation of those recommendations.

The task force members agreed that pursuing joint training opportunities, without significantly enlarging the pool of available skilled labour and retaining the skills the defence industry sector would not produce useful outcomes for either Defence or industry. Consequently, the JTTF members broadened the Terms of Reference to enable the inclusion of recommendations for additional joint initiatives in areas such as workforce attraction and retention, including greater career mobility between industry, the public service and the military.

Under four broad strategies: expanding existing successful joint training initiatives in Defence and industry; taking better advantage of under utilised or untapped sources of skills and labour; improving the effectiveness and efficiency of employee movement between Defence and industry, and 'branding the defence industry sector'; this report recommends the implementation of ten initiatives that address the gap between skilled labour supply and demand, in Defence and the defence industry sector.

Strategy 1 Expanding existing training initiatives

The JTTF determined there is greater strategic value to the defence sector in investigating joint training with industry and the broader ADO rather than just the ADF. Larger economies of scale can be produced and greater synergies established. Opportunities for joint training exist at all levels, including senior executives and cadets, as well as graduates and apprentices. Identifying and successfully capitalising on these opportunities increases the quality of labour available across the defence sector, and promotes organisation-wide learning. A whole-of-organisation approach is necessary in promoting a culture of joint training. The National Skills Framework of industry-based

¹Productivity Commission 2005, *Economic Implications of an Ageing Australia*, Research Report, Canberra

²Centre for the Economics of Education and Training, Monash University

³Ai Group, *It is Crunch Time – Raising Youth Engagement and Attainment*, Research Report, Canberra

⁴Engineers Australia, *Science, Engineering and Technology Skills Audit*, Submission to the Department of Education, Science and Training, Canberra

⁵Defence Materiel Organisation, *Impact of Defence Expenditure on Australia's Defence Industry Base (2006-2016)*, Research Report, Canberra

VET training packages, qualifications and quality standards provides the necessary thread of consistency across Defence and industry training. The JTTF recommends:

1. increasing industry access to ADF training - initially at the RAAF School of Technical Training;
2. replicating the Queensland Aerospace Industry Project in another location for a different defence sector, and;
3. replicating the Vocational & Educational Training (VET) and Work Experience partnering schemes operating through SMEs in the Northern Territory into other locations.

Strategy 2 *Taking better advantage of under utilised or untapped sources of labour*

Training is of limited utility when over 8,800 employees will leave the defence industry in the next 10 years.⁶ Declining numbers of people will enter the workforce over the same period, further reducing the already limited labour pool. Competition for labour will increase. Therefore, attracting employees to the defence sector from non-traditional sources, such as other sectors and other countries, is becoming another critical necessity for Defence and the defence industry. Joint approaches to attraction and recruitment schemes should increase the pool for all stakeholders. Increasing the pool of skilled labour available is a strategic necessity. The JTTF recommends:

4. leveraging downturns in other industries to target potential employees with skills that can be transitioned to the defence sector, and;
5. the defence industry increases its use of the 457 visa program, and its use of virtual teams on appropriate projects to minimise downtime.

Strategy 3 *Improving employee movement*

Retention is a significant concern for most JTTF members, due to the tight labour market and booming resources sector. Ensuring Defence and industry deliver clear and exciting career prospects to employees that encourage them to remain in the defence sector, is critical to the sector's long-term health. One means of improving retention rates is to broaden the experiences of employees in the defence sector. The JTTF recommends:

6. promoting the defence sector as a viable second career option;
7. establishing mechanisms that facilitate collaborative and coordinated approaches to the education sector;
8. graduate and cadet exchanges, and;
9. senior management exchanges.

The JTTF members noted that the movement between the defence industry and the defence public service is currently more feasible than movement between the defence industry and the ADF. However, the Services are currently considering their responses to the report of the Strategic Career Management Framework (SCMF) project. The SCMF sets out policy and procedural guidance for the Services to develop a more contemporary career management system that aims to meet members' expectations, improve retention and satisfy the Services' current and future capability needs. Within this policy and procedural 'envelope', each Service would retain the flexibility to cater for its own unique capability requirements. There are many recommendations designed to equip each Service member to be their own career manager (within Service constraints), and to 'up-skill' career managers to provide a better service to members and commanders/managers.

The SCMF recommendations to remove unnecessary restrictions on military careers, create new, shorter career options in areas such as project management, and to improve career mobility, have important implications. There would be increased acceptance, and emphasis, on extending members' careers by encouraging transfer within and between the Services, and to Defence employment as a member of the Australian Public Service (APS). Re-entry to the Services, with appropriate recognition of civilian skills, and lateral recruitment (without prior military experience) to specialised areas would also be encouraged. These steps concur with the recommendations of the Review of ADF Recruitment and Retention in 2006. The Services will table their responses to the SCMF at the Chiefs of Service Committee meeting on 25 Sep 07.

⁶Ibid

Strategy 4 Branding the defence industry sector

The countless career opportunities offered by the defence industry and the defence public sector are largely invisible, and consequently poorly understood by the general community. While this remains the case, it will be difficult for the defence sector to attract, train and retain the workforce required to support the ADF.

The JTTF considers that for these initiatives to be successful it is vital that a communications and advertising campaign be launched to build a separate and recognisable 'Defence Industry' brand, to encourage interest in careers and to distinguish from the uniform wearing image of Defence. Ease of movement between Defence and industry could be promoted as an attraction.

The ideal position would be to develop a defence industry brand that is used to promote the defence industry as offering a desirable, attractive, exciting, cutting edge career path that has an element of mystique and exclusivity. The JTTF recommends:

10. the development of a distinct Australian defence industry sector branding regime.

Implementation

Priority for implementation will be given to initiatives 1, 2, 3, 4, 5 and 10. Initiatives 1-3 are specifically aimed at training, while Initiatives 4 and 5 have immediate strategic value for the defence industry, enabling quick growth of the labour pool. Initiative 10, establishing a strategic brand, will also be pursued as a matter of urgency, as it can positively impact the ability of the defence sector to attract, train and retain a skilled workforce.

The remaining attraction and retention initiatives will become a longer term priority for implementation. The strategic branding initiative will start to address attraction and retention and ultimately increase the likely success of the attraction and retention initiatives.

A Lead Agent or Agency will be identified for each initiative. The implementation phase of the first five initiatives can commence immediately.

- Phase 1 – establishing the scope of work and the preparation of detailed and costed project plans and schedules for each initiative to occur between now and the end of the 2nd quarter 2008.
- Phase 2 – full implementation of each initiative to commence immediately on the completion of Phase 1 work for that initiative. Assuming that the preliminary work can be appropriately resourced, it is anticipated that 1, 4, 5 and 10 can commence as early as 1st quarter 2008.

The Skilling Australia's Defence Industry Program offers one source of funds that could be utilised to partially support industry participation in initiatives 1, 2, 3, 7, 8 and 9. However additional government and industry funding will be required.

STRATEGY 1: EXPANDING EXISTING TRAINING INITIATIVES

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| 1. RECOMMENDATION: INCREASE INDUSTRY ACCESS TO EXISTING ADF TRAINING, INITIALLY AT THE RAAF SCHOOL OF TECHNICAL TRAINING, AND EXPANDING TO OTHER SERVICES IN THE FUTURE. |
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1.1. Executive Summary

1.1.1. The features of access to ADF training at the RAAF School of Technical Training (RAAFSTT) initiative are:

- to address the emerging skill shortage in the Aerospace industry by adopting a 'whole-of-industry' approach for the defence industry. This approach could ensure the long-term viability of one of the critical skill sets in the Aerospace industry, i.e. aerospace technician engineering skills, and;
- to utilise training capacity at the RAAFSTT at Wagga Wagga, NSW, to provide fee-for-service initial training for the defence industry aerospace technician engineering trainees.

1.2. Description of the Initiative

1.2.1. The initiative is directed toward a strategic approach, to developing and maintaining aerospace technician engineering skills for the ADF and its support industries. The concept proposes the primary use of the RAAFSTT at the RAAF Base, Wagga. This is to provide common quality based aerospace technician engineering training to the defence industry. The concept has the advantage that it would target and grow the skill-base of the defence industry in a strategically focused, 'whole-of-industry' approach, and could be initiated quickly.

1.2.2. This initiative seeks to:

- assist in achieving a sustainable, skilled workforce for the defence industry;
- utilise effectively, the world class aerospace technician engineering training facilities and the training capacity of the RAAFSTT;
- improve awareness and enhance career prospects in the wider defence aerospace industry sector, and;
- promote general recruitment into the ADF.

1.3. Benefits of the Initiative

1.3.1. Over a number of years, a range of Federal and State agencies and industry stakeholders have undertaken many initiatives to address the perceived emerging skill shortage in the aerospace sector. None of these previous undertakings were whole-of-industry based. Accordingly, this initiative proposes a holistic approach to be adopted for the defence industry. More importantly, this initiative will alleviate some of the emerging skills shortages in aerospace maintenance across the entire sector.

1.3.2. Significant to the initiative is, an understanding that Australia is fortunate to have in place a world-class training facility for aerospace technician engineering training at the RAAFSTT, located on the RAAF Base at Wagga Wagga, NSW. Training facilities valued in the order of \$300m to \$700m are in place at this establishment, together with about \$60m to \$80m in training aids, and aircraft. In addition, domestic accommodation is available on the Base.

1.4. Framework for Implementations

1.4.1. The proposed initiative has already been tested within the RAAFSTT over a number of years (2001-2006), with Boeing Australia and Qantas trainees being trained at the RAAFSTT, and then going on to support Defence operations at Richmond, Amberley and Oakey. As such, this initiative and concept are already proven.

1.4.2. The Boeing Australia and Qantas graduates have been trained side-by-side with ADF trainees to the same aerospace engineering standards and technical discipline requirements. These civilian trainees were exposed to military ethos, military standards and airworthiness focus, all aligned to a whole-of-industry approach to skilling Australia's defence industry. Boeing and Qantas have expressed satisfaction with the skills, technical discipline and attitude of graduates from the RAAFSTT.

1.4.3. Cost is a potential issue. The costing framework used by Air Force is set out below. No GST is payable on courses, which are undertaken to gain qualifications that are an essential pre-requisite to employment in a trade, profession or occupation (Defence Goods and Services Tax Manual – Chap 13.)

| Course | PMKEYS Number | Students per Course | Course Duration (days) | Full Cost per Graduate without R&Q | R&Q Non Defence Civilians | Full Cost per Graduate with R&Q |
|---------------------|---------------|---------------------|------------------------|------------------------------------|---------------------------|---------------------------------|
| Aircraft Technician | 200813 | 18 | 236 | \$78,047 | \$28,649 | \$106,696 |
| Avionics Technician | 200810 | 18 | 266 | \$83,874 | \$32,291 | \$116,164 |

Note: R&Q – Rations and Quarters

1.4.4. Defence charging principles are based on Government policy that full cost is to be charged (FINMAN 4 Chap 7). If variation to full cost recovery is contemplated, then a waiver to vary the amount would be required.

1.4.5. The success of this concept requires keeping the ratio of civilians to military members at an acceptable proportion to preserve military ethos and culture. A maximum of around 10% of civilians on any course is recommended by the RAAF, depending on the size of the course.

1.4.6. In the 2007-2008 financial years, 273 Avionics Technician positions and 215 Aircraft Technician positions are currently scheduled. Using the recommended ratio, this would equate to roughly 30 positions for civilians on Avionics Courses, and 24 positions on Aircraft Courses.

1.4.7. The concept could leverage off the present commercial contract in place with TAFE NSW – Riverina Institute. A contract amendment or similar arrangement could be undertaken to facilitate the implementation of the initiative.

1.4.8. In summary, there is now in place a Defence training institution that could be utilised to skill and up-skill uniformed and civilian trainees in the aerospace technician engineering disciplines.

1.5. Stakeholder Engagement/Interest

1.5.1. The stakeholders involved with this initiative are the three Services, employers in the aerospace sector, and the youth of Australia, who would have an additional entry method into the aerospace sector for possible employment.

1.6. Constraints and Risks

1.6.1. There are few constraints and risks with this proposal. It has been successfully conducted with no adverse consequences. Indeed, the civilian trainees who have undertaken training at the RAAFSTT have assimilated well into Defence and the defence industry.

1.6.2. The training at the RAAFSTT is intended to deliver underpinning knowledge and skills. Graduates would then be required to complete practical consolidation (log books) in a suitable workplace as currently occurs for both military and civil personnel. This consolidation phase for non-Defence graduates is expected to occur in non-Defence units.

- 1.6.3. The success of this mixed training, to date, has been to accept a small number of civilian trainees, and to have them operate as part of the military course.

1.7. Measuring Success

- 1.7.1. Increasing the number of trained aerospace sector maintenance personnel, would be of benefit to ADF and industry, both in the short and long-term, and is a measure of success.

1.8. Conclusion

- 1.8.1. There is a medium to long-term shortage of aerospace technician engineering skills both within the uniformed workforce of the ADF, and within the defence industry workforce.
- 1.8.2. This initiative is directed towards a whole-of-industry approach to developing and maintaining aerospace technical and engineering skills for the defence industry.
- 1.8.3. This concept proposes using the RAAFSTT to provide common, quality-based, aerospace technician training to defence industry personnel. Moreover, the proposal would target and grow the skill-base of the defence industry, in a strategically focused way and could be initiated quickly.
- 1.8.4. The concept could leverage off a long standing commercial contract in place with the National Aerospace Training Centre of Excellence at TAFE NSW – Riverina Institute, through a contract amendment or similar arrangement.
- 1.8.5. Given the success to date of the mixed training that has been undertaken at the RAAFSTT, it is recommended that this be expanded, whilst being mindful of the recommended ratios.

STRATEGY 1: EXPANDING EXISTING TRAINING INITIATIVES

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| 2. RECOMMENDATION: REPLICATE THE QUEENSLAND AEROSPACE PROJECT FOR ANOTHER INDUSTRY SECTOR IN ANOTHER LOCATION IN AUSTRALIA |
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2.1. Executive Summary

- 2.1.1. The Aerospace Project commenced in 2004 as a partnership between the Queensland Government, industry and a number of technical training providers and academic institutions. The program was created in response to the commitment of building a strong aerospace industry, which has had significant flow-on effects to the Australian economy and the creation of long-term careers and opportunities for students and their communities.
- 2.1.2. The project identified the critical need for industry and governments to heavily contribute to developing a workforce capable of meeting current labour market requirements as well as sustaining and growing the industry in the long-term.
- 2.1.3. Within three years, the project has grown from inception to involving 17 schools from across the state. The aerospace industry understands that in order for it to prosper, it is important to engage students early. Creating awareness among high school students has been a highly effective strategy to generate interest in a career in aerospace.
- 2.1.4. The focus of this initiative has been the aerospace industry. The Queensland Aerospace Project model has relevance across many industries and is currently being replicated in the mining, wine and tourism industries in Queensland. It is proposed to replicate the Queensland project in another industry sector in a different location.

2.2. Description of the Initiative

- 2.2.1. The Aerospace Project commenced in January 2004 as a partnership between Education Queensland, Boeing Australia Limited and Aviation Australia. The aim of the project has been to create pathways for students into Queensland's growing aerospace industries. Education Queensland has a Head of Department-Aerospace Industries position, which has been responsible for the management of the project based at Aviation High, in Brisbane.
- 2.2.2. Six schools were initially targeted as the 'Gateways to the Aerospace Industries'. This was expanded to 10 schools, in 2006.

Three new aerospace partners - Australian Aerospace, Smiths' Aerospace and the Brisbane Airport Corporation, joined the Project in 2006.

In 2007, seven more schools joined the Project, making a total of seventeen schools from across the state.

- 2.2.3. Outcomes from the Queensland Aerospace Project that could be replicated include:

- the establishment of an Aerospace Project Governance Board, which has had significant influence on the strategic education initiatives associated with aerospace;
- the establishment of 'Aviation High' in Brisbane, near the Brisbane Airport, which is Australia's only high school with a dedicated aerospace and aviation focus;
- creation of a syllabus committee to develop an aerospace studies syllabus to establish new subjects for Queensland high schools (both state and private). The curriculum has been designed by an aerospace industry working party to ensure that it meets industry needs. Development and approval for the introduction of a new subject often takes up to five years. This working party achieved the implementation of a new, approved subject in 18 months;
- changes to Education Queensland's Work Experience Public Liability Insurance Policy, allowing students to perform work experience in and around airports, which commenced April 2004;
- the development of a new practical, project-based senior workshop subject, titled 'Aeroskills Studies' which is specifically aimed at supporting careers in Aircraft Maintenance Engineering – commenced 2007;
- In 2006 ten schools embedded aspects of the aerospace industry into their school curriculum to promote and encourage students into the industry.

- the participating schools have used a selection and recruitment process to target appropriate students to enter the aerospace work experience program. This replicates the process used by industry;
- a highly structured five day work experience program offered by the aerospace industry partners (approx. 60 student positions to be offered in 2007) in a broad range of careers including Human Resources & Administration, Systems Engineering, Aircraft Technical Trades, Information Technology (IT), Finance, Supply Management and Quality Control;
- in 2004, an inaugural annual industry sponsored awards event was held at Queensland Parliament House, to recognise outstanding achievement by students and teachers, with prizes including scholarships, and opportunities to attend a space camp in the United States;
- a direct entry arrangement to universities and Aviation Australia for students at the targeted schools;
- an ongoing curriculum support and mentoring process by the industry, for schools, teachers, students and curriculum/teaching design;
- the opportunity of offering the aerospace industry a single point contact (HODAI) when dealing with Queensland's education system, and;
- excursion opportunities, to industry, for participating schools to provide real life learning experiences and enable the application of theory learned in class eg:
 - 777 –200LR Worldliner Tour;
 - NASA Astronaut Visit to Brisbane;
 - Vice President Marketing (Boeing International) visits students, and;
 - Amberley & Oakey site Tours.

2.3. Critical Components for Implementation

- 2.3.1. One critical component to establishing this model in other industries is the creation of the project governance structure.
- 2.3.2. Since its inception, the Aerospace Project has received high level strategic support from both the Queensland Government and the aerospace industry. The Aerospace Project Governance Board oversees the strategic direction of the project and the Head of Department – Aerospace Industries (HODAI). The HODAI is the Executive Officer to the Board and is responsible for implementing their strategy.

Aerospace Project Governance Board Membership:

- Director-General, Department of Education, Training and the Arts;
- President, Boeing Australia Limited;
- CEO, Aviation Australia;
- Assistant Director-General, Strategy and Performance, Education Qld;
- Assistant Director-General, Department Employment and Training;
- Director Senior Schooling and Innovation Education Qld, and;
- Head of Department – Aerospace Industries.

- 2.3.3. At an operational level, the HODAI chairs the Aerospace Project Gateway Schools' meetings, which are held with the 17 schools and the aerospace industry partners. This group is responsible for implementing the strategic direction determined by the Governance Board. These meetings occur each quarter.

Aerospace Project Gateway Schools Meeting membership:

- principals of the 17 schools;
- a key teacher from each of the 17 schools;
- industry representatives from – Boeing Australia Ltd, Australian Aerospace, Brisbane Airport Corporation, GE Aviation (ex Smiths Aerospace) and Aviation Australia;
- a representative from Department State Development;
- Tertiary representative, and;
- HODAI.

- 2.3.4. The HODAI represents Education Queensland (through the Governance Board) when dealing with the aerospace industry, tertiary institutions, the Queensland Studies Authority and the participating schools.

2.4. Benefits of the Initiative

- 2.4.1. The Aerospace Program in Queensland has generated an interest and excitement amongst parents, teachers and students by enabling students to gain access into the aerospace industry, in a transparent and easy to understand manner. There are now parents moving their children into schools to gain access to this program.
- 2.4.2. Students are more aware of the careers that are possible as a result of studying aerospace subjects at school. Schools' curricula and teaching are being tailored to real life examples giving the theory practical application and making learning more enjoyable.
- 2.4.3. The work done by industry and the Education Department with teachers, has been of significant benefit, as those involved in the program have a strong interest in the industry and so, are more engaged.
- 2.4.4. Direct entry into the University of Queensland's Engineering and Business Studies courses enables students to secure a university placement without waiting until they receive their Tertiary Entrance Score. Students are planning their steps into the industry and study, including opportunities for part-time or casual work within the aerospace industry.
- 2.4.5. The creation of a capable and skilled workforce that is passionate about the industry is the critical benefit of the program.

2.5. Framework for Implementation:

- 2.5.1. The key factor in replicating this project is the creation of a Joint Industry and Education Department Governance Board who can decide the strategic initiatives to be implemented. The introduction of a HODAI equivalent would also enable the operational decisions to be implemented and would assist with sourcing funding for the initiative. Industry partners could agree on what they would support to implement the project.

2.6. Stakeholder Engagement /Interest

- 2.6.1. The current partners in the Aerospace Program have a strong commitment to ensure that the program is successful. The Aerospace Program is linked to the Queensland Government's Smart State initiative and the Queensland Skills Plan. Additionally, industry understands that potential participants in the workforce of the future will be diminished and the competition to attract skilled employees will be a challenge. The outcome of creating a capable and skilled workforce for industry and for individuals' careers is a key driver that has benefits for all.
- 2.6.2. The successful establishment of a similar model across other industries will require significant commitment from both State Governments and industry partners.

2.7. Constraints & Risks

- 2.7.1. The program model will not be successfully implemented without state government support directing educational institutions to develop content in collaboration with industry. The school system will need to be able to implement these new subjects, which are focussed upon industry specific areas to transition the new curriculum into schools in the targeted area.
- 2.7.2. It is essential that existing industry centres of excellence and areas of skills demand are not replicated, as industry hubs need to support local and state industry initiatives.
- 2.7.3. Insufficient engagement of industry to fund, and significantly assist with industry specific content expertise, will risk the success of this initiative.
- 2.7.4. To-date there is no Federal government funding for this type of initiative.

2.8. Measuring Success

- 2.8.1. Increasing the number of available and capable skilled aerospace engineers, workers and apprentices for the industry is a key measure of success.

2.9. Conclusion

- 2.9.1. The Aerospace Project has been highly successful for the three years it has been implemented, and will continue to be so in the future, due to the commitment of the State Government, industry partners and educational institutions. The model of governance, program implementation and management, has implications and applicability across a range of defence industry sectors.
- 2.9.2. There is a need for a shift in the thinking of educational institutions across the nation. The end objective is to ensure that our current students have viable jobs and careers in the future. Industry becoming partners in educating our current students is an innovative roadmap for the future.

STRATEGY 1: EXPANDING EXISTING TRAINING INITIATIVES

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| 3. RECOMMENDATION: REPLICATE THE VET AND WORK EXPERIENCE PARTNERING SCHEME OPERATING IN THE NORTHERN TERRITORY ACROSS AUSTRALIA. |
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3.1. Executive Summary:

3.1.1. This initiative is characterised as a partnership between industry (through an individual organisation or Defence unit), individual senior secondary students (through schools and career advisors) and Vocational Education and Training (VET) service providers. It is a student placement scheme delivering an outcome driven, planned and formalised training schedule and on-the-job training (OJT) experiences. The initiative targets VET students from years 11 and 12 with prerequisite education and training in years 9 and 10.

3.1.2. The specific aims of the initiative are to:

- focus on the attraction and retention of the students in schools to complete years 11 and 12 successfully in a VET environment. This will be achieved by mentoring and management of industry placement experiences, and;
- the encouragement of subsequent career pathways (including training) in the defence industry sector and Defence.

3.1.3. While the context for this initiative has been within the Electrotechnology and Information and Communication Technology (ICT) industries, any other industry sector can be engaged once relationships are established between the partners. A number of secondary stakeholders will have an interest in this initiative, including state and commonwealth education authorities.

3.1.4. The intended outcomes are:

- increased participation in VET in Schools programs, particularly by students who are more academically capable;
- enhanced perceptions of, and maintaining participation in, Defence and the defence industry sector; and;
- capturing students offered university places, but who defer attendance to a later date.

3.2. Description of the Initiative

3.2.1. This initiative seeks to:

- replicate the successful Northern Territory VET in Schools program that has been operating within the Northern Territory senior high school system, with an emphasis on creating an environment where each student is recognised and treated as a potential candidate, for a career in a defence related industry;
- provide a roadmap that identifies students who are successfully completing year 10 and will be continuing on with year 11 and 12 school programs and enables them to engage with industry and the VET system;
- target the VET students as well as year 11 and 12 students who may wish to participate in a trade-based apprenticeship, or attend a TAFE-based program rather than a university-based education;
- allow the students, after completing the VET program through years 11 and or 12, to then join industry or Defence to obtain a nationally recognised Certificate III and/or IV, with the view of being able to enter university or undertake further TAFE training at a later date, and;
- demonstrate how the initial program, which was structured around electronics, would be suitable for a trade-based apprenticeship and 'kick start' a successful working career in the student's chosen field.

3.3. Benefits of the Initiative

3.3.1. The initiative highlights some key benefits when the students are engaged in this manner. The approach enables:

- each individual to be provided with tailored 'one-on-one' supervision;

- the students to be active participants within the chosen organisation or placement rather than passive observers;
 - individuals to become suitable candidates for permanent employment in the defence industry, or within the ADF;
 - individuals to be included in future training schemes and initiatives;
 - continuous improvement in the quality of students included in the program, and;
 - ultimately, an increase in the technical capability of the pool of individuals available to Defence and industry, which is not limited to tradespeople and technicians.
- 3.3.2. The initiative is unique in that the VET placements are providing experiences specifically designed to identify and promote potential opportunities for future placement within the Electrotechnology and ICT industry, or the broader defence related industry sectors.
- 3.3.3. Through forming stronger linkages between local school-based career advisers, National Industry Career Specialists (NICS), Regional Industry Careers Advisers (RICAs), and industry, better quality industry relevant information can be made available to school students and parents.
- 3.3.4. Each student is provided with an outcome-driven workplace and real world experience. Instruction, tasking and practical experience is provided according to each individual student's needs and wishes, as identified during a pre-interview process conducted by industry. They are active participants within the chosen organisation or placement, rather than passive observers. In addition, they are also provided with theoretical and practical specific training that relates to ongoing tasking at a company and industry level.

3.4. Framework for Implementations and Methodology

- 3.4.1. A key requirement of the initiative is that all programs must be conducted at industry premises, as a classroom environment of an offsite educational institution has limited ability to deliver an 'out of school' experience.
- 3.4.2. The aim of the industry placement program is to provide a number of services prior, during and after each student's placement. In the NT program, these services include:
- *Development of prospective student information sessions.* Industry participants develop and deliver to all participating high schools introductory presentations providing students with an overview of the Electrotechnology and ICT industry. It acts as a first point of contact for the students, regarding training and development opportunities within industry;
 - *Background research and information provision.* During school visits, students are provided with general training information designed to enhance their general understanding of the industry sector and related educational pathways through industry approved training, VET, Technical colleges and universities. This ensures students have a sound knowledge of the technical streams available with the industry, and how those streams relate to available training and work placements;
 - *Student schedule.* The schedule for each student is planned in conjunction with Youth Worxs (service provider) NT, the industry participant and the high schools VET student coordinators to maximise the student's introduction into the industry;
 - *VET and school input.* Ongoing meetings with VET and school staff are held to ensure students are achieving outcomes and to review any changes in the program that may be required. During these meetings, future student allocation, technical streaming interests and specific needs are discussed;
 - *Student support administration.* Support staff act as the central point of contact for general student administration, such as attendance documentation, liaison with VET, schools and parents. This is important as it provides the student with a familiar face throughout the program. This service is a prerequisite, as the student must feel comfortable within the environment;

- *Task planning.* Each student is in an industry placement (such as North Australian Technologies - NAT) for a period of not less than one week. An appropriate period of planning must be included to ensure that the student's week is fully utilised and that there is an understanding that there are a number of streams in the defence and industry sectors. Supervisors make every effort to ensure that students are included in activities directly related to these streams, and that they relate to the student's current studies, and;
- *Daily supervision.* To achieve successful outcomes, the industry participants must be prepared to invest heavily in the program and the level of supervision provided must demonstrate that commitment to achieving successful outcomes. Expectations for duty of care for adolescences, between the ages of 14 to 16 are significantly above that of a full-time inducted apprentice into an organisation. This program relies on a high level of 'one-on-one' supervision, to ensure quality supervision, instruction and evaluation of students.

3.5. Timeframe

- 3.5.1. The program that forms the core of this initiative could be implemented within selected schools during the 2008 scholastic year, with further implementation to follow.
- 3.5.2. The program is not reliant upon specific school programs. However, from experience, it is better to establish/re-establish links early in the school year and implement the program from the beginning of week 12 onwards.
- 3.5.3. Week 12 is the nominal time when most students have qualified for entry, enrolled in the VET program, and are ready for industry participation.

3.6. Stakeholder Engagement/Interest

- 3.6.1. The primary stakeholders are students, their parents, industry, schools and the VET service providers, who will work collaboratively to deliver the programs.
- 3.6.2. Secondary stakeholders are the state and commonwealth education authorities including the Department of Education, Science and Training (DEST).
- 3.6.3. While noting that this program is specifically dealing with youth that have not yet matured in their thought processes and behaviours, if Defence becomes part of this initiative, then it is possible that a different set of metrics would be needed to meet Defence specific requirements. These requirements may be in 'restricted' or 'sensitive' areas.

3.7. Constraints and Risks

- 3.7.1. Very few constraints and risks are involved within this type of program.
- 3.7.2. Constraints will include:
 - the level of interest and capacity to facilitate support for students from parents and schools;
 - available time/personnel to facilitate the promotion, lead up and implementation processes required, and
 - a lack of specific programs tailored to 'train the trainer' for career advisers.

If specific engagement by the industry, Defence and government were addressed, the primary issue of career advisers' lack of knowledge and understanding of the industry and Defence would be diminished greatly.

- 3.7.3. Risks will include:
 - students being provided with insufficient or inaccurate information by career advisers who are poorly or ill-informed;
 - ineffective processes for the selection of students;
 - the inability to deliver the agreed support services and one-on-one supervision;
 - insufficient industry placements being available to meet demand, and;

- incorrect coverage of students while in the workplace (to cover accident etc).

3.7.4. The other risk worth noting, is the possibility of a wholesale change in the current VET program Australia wide, and the removal of funding of VET programs within the school system. This could include the possibility of a change in the focus of the federal and or state governments.

3.8. Measuring Success

3.8.1. The measurement of success is a simple process where the current participation rates are set as the benchmark, and the growth in participation in the program, and the engagement of individuals in longer-term industry and Defence related careers, are measured against new Key Performance Indicators (KPIs). The KPIs would be reviewed and implemented on a year-by-year basis, for an extended period of 10 or more years.

3.8.2. Achievement would be measured from a baseline determined at a moment in time.

3.8.3. Statements of attainment of competencies are a specific measure of success for individuals.

3.8.4. The longer-term measure of success would be the increase in participation in Defence and Defence related industries, as well as the improved retention rates for the ADF and related industry sectors.

3.8.5. Satisfaction surveys regarding experience within the proposed initiative could be implemented with participants, parents, schools and supervisors, from industry sites.

3.9. Conclusion

3.9.1. Through this program it is possible to engage students who are participating at a year 10 level, or even as early as year 9.

3.9.2. The linkages from year 9 to post year 12, and participating in a career in the defence industry and/or Defence, are the key cornerstones of growing the country's capabilities in all areas. Addressing the above is addressing the requirement of the future demand of the sectors.

3.9.3. It is of paramount importance that industry, school systems and Defence become better engaged in harnessing the best students possible, for the required task.

3.9.4. By investing up-front in a stronger collaborative approach to developing and providing good career advice, and encouraging and supporting positive student participation in the defence related industry sectors, then the industry sector will have access to a more capable pool of individuals, at a key time in their education pathway. The students will be making informed choices about education and career pathways, will be well informed about the academic choices, and the required levels of rigour at the commencement of year 11, followed by active participation in year 12.

3.9.5. By investing a very small amount of time and money, this initiative addresses the key cornerstone issues of capability and sustainability of the sectors to meet current and future growth requirements for the industry.

STRATEGY 2: TAKING BETTER ADVANTAGE OF UNDER UTILISED OR UNTAPPED SOURCES OF LABOUR

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| 4. RECOMMENDATION: ESTABLISH A STANDING TEAM TO IDENTIFY AND LEVERAGE DOWNTURNS IN OTHER INDUSTRIES AS THEY ARISE |
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4.1. Executive Summary:

- 4.1.1. The purpose of this initiative is to establish an across Defence and Industry Standing Team, to target employment opportunities for people who have become surplus due to a down turn in another industry
- 4.1.2. The Standing Team will rely on intelligence generated by industry bodies and government departments, to locate possible sources of excess labour. Once the broader industry establishes a presence, individual organisations can compete with each other for the available labour and skills.

4.2. Description of the Initiative

4.2.1. A single point of contact within the Industry Division of DMO could be responsible for the gathering and co-ordination of actionable intelligence, with respect to industry trends across other industries. This role would gather information from other government departments, industry bodies, and the defence industry, to develop a forecast of industry sectoral trends. The forecast will be underpinned by a roadmap of easily transferable skills and competencies from other industries.

4.2.2. A joint Defence and industry recruitment and transition team would rapidly respond to closures in other industries, based on market intelligence and the developed forecast and roadmap. This team would:

- be multi-disciplinary;
- represent the whole of Defence and the defence industry;
- be backed-up by swift recruiting methods;
- be augmented by local company representatives, and;
- dovetail with the Department of Employment and Workplace Relations (DEWR) and other government agencies.

4.2.3. The team would be responsible for:

- preparation of relevant presentation material and the defence industry branding;
- sourcing of invitations and creation of agendas;
- presentations to staff;
- co-ordination of Defence and industry community information sessions;
- matching of skills and aspirations with appropriate employers for follow-up action;
- advertising, and;
- recording case studies and testimonials.

4.3. Benefits of the Initiative

4.3.1. This initiative will enable Defence and the defence industry to:

- attract employees from non-traditional sources;
- fast track employment;
- impact local economies by keeping people employed;
- improve the reputation and perception of Defence and the defence industry, and;
- demonstrate that the defence sector is more than the ADF – it has many other components and a wide range of career opportunities

4.3.2. Additionally, there will be greater opportunities for training that will enhance overall skills in Australia. This initiative provides a strategic regional and national focus to skills development

and demonstrates how Defence and industry are assuming collective responsibility for their skills and labour requirements.

4.4. Framework for Implementations

4.4.1. Initially, the intelligence capability needs to be established within Industry Division and, the defence industry sector branding should be in place as a precursor to implementation. Furthermore, there is a need to establish the team membership and the terms of reference for operation.

4.5. Stakeholder Engagement/Interest

4.5.1. Defence industry is very interested in the far-reaching benefits of this initiative, due to its potential to produce a new source of labour. As such, there is a strong impetus to complete the necessary background work.

4.5.2. As a result of the establishment of the JTTF, the links to various industry bodies and government departments are already well established, and it is clear that Defence and industry are engaged. Moreover, there will need to be additional engagement to gather intelligence from other industries and to identify which skills will be transferable to the defence sector.

4.6. Constraints and Risks

4.6.1. Gathering reliable and timely intelligence could constrain the effectiveness of the Standing Team. Other industries may be unwilling to share data on the health of their industry, particularly if they are looking for government assistance.

4.6.2. Announcements that the defence sector is about to target the employees of a particular industry or organisation need to be managed sensitively, as they could create the appearance in the community that the industry or organisation will not recover from its current downturn. There is also the risk that other industry or the general public could perceive that the defence sector is engaging in pre-emptive poaching.

4.6.3. Failing to establish accurate data on the skills potential of targeted employees, is a risk. Employing individuals without skills that can be easily transferred or converted will severely undermine the effectiveness and efficiency of targeting them in the first instance.

4.7. Measuring Success

4.7.1. The success can be measured by the numbers of people moving from other industry sectors to the defence sector.

4.7.2. The amount of conversion training it takes for new employees to become effective in the defence sector will provide a measure of the robustness of the data and intelligence being collated and distributed.

4.8. Conclusion

4.8.1. Successfully leveraging downturns will generate a substantial boost to the overall pool of employees available to Defence and the industry. Moreover, the defence sector will develop a reputation for assisting communities facing unemployment which will aid broader strategic recruitment and retention initiatives.

STRATEGY 2: TAKING BETTER ADVANTAGE OF UNDER UTILISED OR UNTAPPED SOURCES OF LABOUR

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| 5. RECOMMENDATION: DEFENCE INDUSTRY INCREASE ITS USE OF THE 457 VISA PROGRAM AND ITS USE OF VIRTUAL TEAMS ON APPROPRIATE PROJECTS TO MINIMISE DOWNTIME |
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5.1. Executive Summary

5.1.1. One method of bringing new staff into the Australian defence industry is to recruit from overseas sources. This approach is being taken up enthusiastically by many Australian companies as they struggle to attract skilled staff from domestic sources.

5.1.2. A second way of improving the productivity of the domestic workforce is to use virtual teams – teams that are formed electronically and not by physical co-location. These teams can form across any geographic space including across international boundaries. This initiative is broken into two parts, it proposes;

- the formation of virtual teams across international boundaries, and;
- employing the existing workforce more flexibly by forming teams between personnel who may be in different Australian locations.

5.2. Description of the Initiative

5.2.1. This initiative seeks to address the shortage of skilled resources in Defence and industry by:

- recruiting overseas for people to work in the domestic defence industry sector using the 457 visa;
- using virtual teaming between Australian defence company workforces and workforces of overseas clients, and;
- using virtual teaming between Australian defence companies that are geographically separated.

5.3. Benefits of the Initiative

5.3.1. There will be an increase in the skilled workforce from suitable overseas sources, thus minimising the requirements for up-skilling or training.

5.3.2. Virtual teams allow existing skilled workforce to be used effectively and efficiently by not requiring them to relocate to the primary work site. There is a direct productivity gain by ensuring that the workforce, across the defence industry, is at maximum capacity. This initiative would be particularly useful to address short term projects, for example; computer related and appropriate work-share tasks.

5.3.3. Virtual teams operating across different time zones have the ability to maximise the number of productive hours per day, which has the potential to reduce project timeframes via a ‘hot hand-off’ approach, where tasks are serial or dependant in nature.

5.3.4. The benefits of the 457 visa program are well known. It enables employers to efficiently source temporary skilled labour, at a time of a high and ongoing skills shortage in Australia. Shortages among the traditional trades, including those the defence industry utilises are particularly intense and the 457 program offers employers a flexible alternative.

5.4. Framework for Implementation

5.4.1. Temporary business visas, such as those available under the 457 program, are highly valued by industry as a means to source temporary skilled labour at a time of high and ongoing skill shortages in Australia. This visa category has made an important contribution to Australia’s ability to address the current widespread skills shortage, providing many companies with a short to medium-term source of skilled labour.

- 5.4.2. Recent experience indicates that 'in demand' resources are becoming less readily available from overseas, they are costing more, and the lead time to recruit and commence overseas resources in Australia, can often be up to 6 months. This timeframe could be shortened using an ex-patriot hire approach, where the resource remains on the organisation's overseas payroll. Experience indicates that migration agents can play an important role in reducing timeframes, ensuring compliance and facilitating a smooth process.
- 5.4.3. Virtual teams in Australia would require:
- the examination of previous best practice to be educative to the broader industry;
 - Defence to signal that this is a good methodology for doing business, and to support the transition to virtual teaming;
 - training for project managers in both Defence and the defence industry to use virtual teams successfully, and;
 - funding, which could be a SADI funding initiative.
- 5.4.4. Virtual teams require a different way of management thinking, and thus may require a change in the way management and the staff in the remote location work and interact. The objectives of a virtual team, more aptly called 'remotely situated teams', are to:
- move the work to where suitably skilled resources are, and;
 - minimise costs associated with relocations, travel, and accommodation.
- 5.4.5. Whilst face-to-face and corridor conversations are valuable, technological advances have reduced personal communication. There is a greater reliance on trust, and informal and formal communication plans. Nevertheless, some degree of face-to-face communication is required to ensure remote staff are considered real members of a team.
- 5.4.6. Further complications and costs arise to virtual teams when classified work is involved, including the need for accredited facilities (limiting geographic separation to certain sites), and the need for accredited IT and communication systems to enable online collaboration.
- 5.4.7. To run a virtual team in multi-locations, organisations will require:
- senior level organisational commitment to virtual teams and remote working;
 - project managers that have been trained in managing multi-location teams;
 - tools to help manage and monitor assignment of work;
 - staff with good communications;
 - training of staff on how to work and collaborate remotely;
 - management that can lead and manage from a distance, and;
 - staff that demonstrate initiative and do not require constant supervision.
- 5.4.8. Experience indicates that contributing factors for successful virtual teams include:
- investing the time into the planning and set-up;
 - local work packages that minimise the splitting of functional components across geographies;
 - strong leadership skills are vital;
 - teams must have a shared purpose and agreed principles agreed;
 - detailed interface definitions;
 - strong 'team leads' in each location with the right skills, attributes, and behaviours;
 - common project support services, processes, and procedures;
 - maximisation of informal and formal communication between geographically separated team members, including use of instant messaging, collaborative portal spaces, online document management repositories, video conferencing, smart white boards, and the telephone;
 - strong issue management and escalation practices, and;
 - rotation of management review locations.

5.5. Stakeholder Engagement/Interest

5.5.1. Both Defence and industry will require consultation on virtual teaming to ensure suitable projects are targeted. It will be vital to ensure concerns over security are dealt with; otherwise it will be unlikely that teaming will be successful. Additionally, specific projects will need buy-in to produce optimal results, as the virtual teaming model is unfamiliar, in the defence context.

5.6. Constraints and Risks

5.6.1. Challenges faced by virtual teams and migrations

| Challenge and Mitigations | Applicability |
|---|---------------|
| <p><i>Time zone differences</i></p> <ul style="list-style-type: none"> Structure team to take advance of time zones – to enable hand-off between sub-teams | Both |
| <p><i>Team members engagement</i></p> <ul style="list-style-type: none"> Bonding of team members – at least one face to face for all team members Each location to have a leader who has responsibility for liaising regularly with other leaders Project manager to visit all locations on a regular basis Customer to visit appropriate teams' locations Ensure that career planning and performance management is locally placed for team members | Both |
| <p><i>Cultural</i></p> <ul style="list-style-type: none"> Specific cultural training provided to all locations Consider 'foreign exchange' type program for team members | International |
| <p><i>Planning</i></p> <ul style="list-style-type: none"> Ensure that all aspects of remote team management are identified and scheduled | Both |
| <p><i>Customer buy-in</i></p> <ul style="list-style-type: none"> Involve customer in planning – specifically governance | Both |
| <p><i>Technology</i></p> <ul style="list-style-type: none"> May require specific attention to each location's security infrastructure Review and implement most appropriate types of collaboration tools as email is not sufficient | Both |
| <p><i>Misunderstandings from miscommunication</i></p> <ul style="list-style-type: none"> Establish a communication plan with specific mechanisms that are understood by all team members | International |
| <p><i>Recruiting</i></p> <ul style="list-style-type: none"> Use the same organisation to provide the majority of resources – leads to consistent standards and selection criteria | Both |
| <p><i>Security Clearance and Citizenship Requirements</i></p> <ul style="list-style-type: none"> Targeted recruiting to ensure new employees meet minimum 'entry' level. | Both |

5.6.2. Local Practice Transitions:

- Resignation periods.* In Germany, for example, the local employment practice is that employees provide up to 12 months notice of separation. However, other countries are less constraining and, with proper phased planning, can provide a regular source of skilled workers on either a temporary basis (matching demand), or if appropriate, permanent employees.
- Acceptance by accreditation bodies in Australia.* Some accreditation bodies are less encouraging of overseas trained employees than should be the case. At a time of higher unemployment, these bodies are effectively protecting the existing Australian workforce by restricting the registration of new workers. However, at a time of near full employment, most accreditation bodies are more welcoming of additional employees. Care has to be taken to ensure that existing employees are not disadvantaged by the temporary workers.

- 5.6.3. The recently announced requirements for English language testing to the IELTS 4.5 standard for most skilled trades (ASCO4) will rule out or make it difficult for companies to source such temporary workers from countries where English is less-widely spoken by the target groups, such as China and the Philippines. While this is less of a problem for the defence industry workforce, it does affect the total labour supply in the nation. The intent of the defence industry might, in some more skilled cases, be to transition existing Australian workers into the defence industry space while, replacing them with temporary workers from other countries.
- 5.6.4. A relatively small number of companies have abused the system. These cases are exceptions and do not justify making the system significantly more difficult to access for the vast majority of employers who fully comply with their legal obligations under the scheme.
- 5.6.5. With this in mind, a limitation of the Migration Amendment (Sponsorship Obligations) Bill 2007 makes a number of proposed changes which, in our view, will make 457 visas effectively unworkable for many companies.
- 5.6.6. Organisations using the 457 visas need to be aware of the additional costs they will incur as a result of planned changes to the program, which could result in each resource costing up to \$40,000, per year. The changes in the new Bill will make it more difficult and costly for employers to access the scheme. The higher costs that will be imposed by the new health insurance obligations, and the liability for return travel costs, will have a particular impact on the skilled trades. This is because the total increases to recruitment and health costs will make it financially unrealistic for companies to employ workers in the lower salary range and particularly, where contracts are for 12 months or less. Such costs will be disproportionately higher when applied to the relatively lower salaries of employees - which are in critically short supply in many areas.

5.7. Measuring Success

5.7.1. Success will be measured by the:

- number of virtual teams established, and;
- number of 457 visa holders employed in the Australian defence industry sector

5.8. Conclusion and Recommendations

- 5.8.1. Defence industry utilisation of the 457 visa scheme could be promoted as a way of helping to address short to medium term shortages of skilled labour.
- 5.8.2. Encouraging the establishment of virtual teams in the appropriate environments involving personnel in different Australian and/or overseas locations in defence sector companies, will reduce downtime, enabling efficiencies to be achieved.

STRATEGY 3: IMPROVING EMPLOYEE MOVEMENT

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| 6. RECOMMENDATION: PROMOTE THE DEFENCE SECTOR AS A VIABLE SECOND CAREER OPTION |
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6.1. Executive Summary

- 6.1.1. Defence industries and, to a large extent, Defence APS groups, already have flexible recruitment, retention and transition practices. This makes it relatively easy for individuals to move between these organisations, while sustaining a satisfying career path that meets personal aspirations and organisational needs. The ADF groups, however, have much more restrictive HRM practices. Recent policies do encourage easier movement out of, and back into uniform. Nevertheless, mid-life return to uniform is rarely rewarded with substantial career advancement, primarily because they have been 'invisible' to the service and have not met the criteria for promotion. This makes lateral recruitment from industry almost non-existent despite a current (mid-2007) shortage of approximately 800 Captains and Majors, in an Army workforce of over 25,000.
- 6.1.2. Currently, the ADF does not adequately recognise previous experience outside of uniform, which is restricting its ability to recruit people back into the ADF. This is reducing the overall movement of labour between the ADF and other organisations.
- 6.1.3. Through promotion of Defence and industry as a positive and interesting career opportunity, and by modernising the ADF's Human Resource Management (HRM) practices, the defence sector can improve its attraction to those looking for new career challenges.

6.2. Description of the Initiative

- 6.2.1. This task is about facilitating workforce mobility in and between Defence and industry. In terms of focusing on the recruitment of people to the wider defence sector, there must be a clear campaign emphasising the positive benefits of working in Defence and the defence industry. Much of this work can be replicated from the ADF's Recruitment of Women Strategy.

6.3. Benefits of the Initiative

- 6.3.1. The benefits of promoting the defence sector and emphasising its positives are clear. Increased recruitment within the sector will undoubtedly increase the overall pool of skills and labour to complete work and operations within industry and the ADF respectively.
- 6.3.2. Employees coming to the defence sector for their second career will bring a wealth of knowledge and broad experience that will enhance organisational intelligence within the defence sector.

6.4. Framework for Implementation

- 6.4.1. The JTTF concludes that the benefits of workforce mobility, in and between Defence and industry are obvious, but this needs to be articulated to partners to inform them of the developments. In summary, a flexible, workforce framework – or matrix of existing partner HRM practices – should be developed to maintain balanced and sustainable workforces that:
- are aligned with and support organisational capability;
 - meet the challenges of attraction, recruitment and retention within and across career spectrums;
 - deliver the right people for the right jobs, regardless of previous Service, APS or industry employment;
 - achieve the best return on investment on recruiting, training and retaining;
 - are shaped and influenced by supportive people, policies and practices, and;
 - readily adapt to changes in organisational priorities and demands.

6.4.2. In terms of increasing the numbers of people considering the defence sector as a second career, a number of approaches can be instituted:

- provide 'career advice' expertise and information on the defence sector;
- develop profiles of employees within the defence sector, that illustrate the variety of backgrounds and careers current people have;
- establish a Frequently Asked Questions (FAQs) list on the defence sector that can be used to debunk myths and perceptions of the defence sector;
- promote 'good news' stories about the defence sector through the local community in which the sector operates;
- establish alumni visits by members of the defence sector that demonstrate the variety of exciting career opportunities available to students;
- leverage the long-term nature of many Defence projects to promote the high job security within the defence industry, and;
- for the ADF, streamline employment transfer processes and provide enhanced career management services.

6.4.3. The key to this recommendation is a more flexible attitude by the ADF. Supported by appropriate career management practices, this would:

- allow the other partners to benefit from trained, experienced, motivated military people, who wished to break from uniformed service, and;
- permit the ADF Groups to benefit, in turn, from highly motivated and already trained individuals, who could return to uniformed service and continue to advance their careers.

6.4.4. This will require substantial paradigm change in ADF human resource planning and management.

6.5. Stakeholder Engagement/Interest

6.5.1. This task is about facilitating workforce mobility in and between Defence and industry. Partners in the process are:

- uniformed groups;
- Australian public service groups, and;
- defence industries.

6.5.2. It must be noted that currently the ADF is in the process of developing a new policy on strategic career management, which is expected to greatly improve the administration of careers within the ADF, leading to increased attraction and retention rates. This policy is expected to be released by October 2007.

6.6. Constraints and Risks

6.6.1. Currently there is a lack of recognition of the skills recruits have when they join the ADF from external organisations, including industry. This is a disincentive to enter the ADF. Improving the recognition of life-skills and other non-military experience will be necessary to make this initiative fully effective.

6.6.2. As noted above, the rigid HRM within the Services is a significant constraint to this initiative. Moderating and modernising the requirements of officers for career advancement could greatly assist its success.

6.6.3. The defence sector is wide and diverse. As such, there is the risk that attempts to target people seeking a second career may lack focus and coherence. This risk will be mitigated by establishing the defence industry strategic brand, as noted in Section 10 of this report.

6.7. Measuring Success

6.7.1. Success will be measured by the numbers of new employees recruited to the defence industry and the ADF, who are seeking a second career.

6.8. Conclusion

- 6.8.1. Currently Defence and industry are failing to promote themselves sufficiently to strategically attract experienced labour into the sector. By targeting this relatively untapped source, the overall pool of skills could be grown significantly.

STRATEGY 3: IMPROVING EMPLOYEE MOVEMENT

7. RECOMMENDATION: ESTABLISH MECHANISMS THAT FACILITATE COLLABORATIVE AND COORDINATED APPROACHES TO THE EDUCATION SECTOR.

7.1. Executive Summary:

7.1.1. The purpose of this initiative is to focus on mechanisms that can be established to encourage and facilitate joint collaboration on workforce mobility issues between Defence and the defence industry, in addition to exchanges and work placements.

7.2. Description of the Initiative

7.2.1. The establishment of joint Defence and industry working groups under the banner of the JTTF could assist in addressing and resolving problems impacting on the flexibility and mobility of the Defence and industry workforce.

7.2.2. The composition of working groups would be based on expertise required to research and develop options for priority workforce recruitment, development and retention initiatives. Working groups would be expected to undertake research, manage consultations, influence and obtain buy-in from others, and report findings.

7.2.3. Three pilot projects for implementation are outlined below:

Project 1 - Joint collaboration in raising awareness of the Defence Sector

A critical issue that could be examined further is the process by which Defence and industry work collaboratively, rather than individually, to address the issue of critical skills shortages. Some areas in Defence and industry are already working actively to profile industry sectors with universities, vocational education institutions and high schools. Better synergies could be achieved for the sector as a whole, through joint collaboration in this area.

A project could be jointly developed to achieve better synergies through joint profiling the total defence sector (Defence and the defence industry) to universities, vocational education institutions and high schools. This could also lead to a more collaborative approach to promoting the sector to potential new graduates, cadets and trainees.

Project 2 - Joint collaboration in training and professional development

Defence and industry have strengths, in particular, in areas of learning, development and professional education. A second project could be established to better understand learning and development initiatives being provided at present, with the objective of achieving better consistency and collaboration across the total defence sector. This is already being achieved in the project management discipline, through the establishment of the joint DMO/Industry Project Management Council.

Project 3 - Joint collaboration in project performance and execution

Defence and industry undertake projects in two key initiative areas in the form of Rapid Prototyping, Development and Evaluation (RPDE) Tasks, and Capability Technology Demonstrator (CTD) Programs. As both activities are funded by Defence and generally undertaken in a collaborative manner, they present ideal opportunities for the movement of personnel between Defence to industry and potentially, vice versa. CTD proposals already require the 'sponsorship' of both the Defence Science and Technology Organisation (DSTO) and appropriate Capability Development Executive (CDE) bodies and there is no apparent reason why these levels of sponsorship could not be extended into the execution phase.

7.2.4. Such programs include the whole range of professional development activities including, inter-alia; project management, financial management, commercial management and engineering. Accessibility could range from the graduate level, but is unlikely to suit senior Defence exchanges. From an engineering standpoint, these programs tend to deal with leading edge

technologies and will present high interest activities for a broad cross-section of engineering disciplines.

- 7.2.5. The current structure for these programs will mitigate risks associated with Intellectual Property and possibly commercial sensitivities that might arise with other programs.
- 7.2.6. Whilst not proposed to be mandatory, the inclusion of a 'willingness to support' style clause, similar to those currently found in RPDE and CTD response documentation and proposals, may cause industry to support the initiative on the basis that the chances of success are enhanced.

7.3. Benefits of the Initiative

7.3.1. These initiatives will assist Defence and the defence industry to:

- strengthen relationships and work collaboratively on workforce development;
- provide more compatible professional development and career management pathways across the defence sector;
- understand the respective issues that each body faces when dealing with each other, and;
- establish a basis for attracting, retaining and developing skilled and qualified staff within the defence sector as a whole.

7.4. Framework for Implementations

- 7.4.1. The implementation of this initiative requires the establishment of a working group that will be involved in further analysis, consultation, research and development to obtain data on how best to address all projects.
- 7.4.2. Project 1 requires an audit or analysis of what is already being done within Defence and industry to market themselves with universities, high schools and vocational institutions. Strategies will be developed to build on these individual initiatives to provide a whole-of-defence sector approach. Part of the analysis of Project 1 will be to establish ways in which the Defence sector can profile itself more effectively to promote graduate programs during 2008.
- 7.4.3. Project 2 requires an assessment of current joint initiatives in place for learning and development. The working group could assess current joint initiatives which have been successfully implemented, in particular, through the DMO/Industry Project Management Council. This initiative could be expanded to target logistics, which is another critical job stream. The pilot project could focus on both project management and logistics with a view to establishing more compatible professional development and learning pathways across the defence sector. Other areas of mutual benefit could also be explored.
- 7.4.4. Project 3 requires the endorsement of the respective sponsor agencies. However, there is no apparent reason why this could not be implemented for RPDE tasks and the requirements included for the CTD Program during 2008.

7.5. Stakeholder Engagement/Interest

- 7.5.1. In preparing the policy and guidelines, detailed consultations will be undertaken with senior leaders and decision makers in both Defence and industry organisations.
- 7.5.2. Consultations will be required with the DMO/Industry Project Management Council, to identify how this initiative has assisted in creating more compatible professional development pathways in project management.

7.6. Constraints and Risks

- 7.6.1. The ability to identify and establish appropriate and available senior working groups across the sector, will most likely be an issue. The working groups require senior subject matter experts and managers who will need to be allocated outside of their normal work to implement these initiatives. This would not be an 'off-line' initiative and time needs to be allocated to ensure that a successful outcome is achieved.
- 7.6.2. With regard to Project 2, some processes for joint collaboration are already in place, including the joint DMO/Industry Project Management Council. Other projects have been initiated through the Skilling Australia's Defence Industry (SADI) Program. It may be useful to assess work that is being done at present, identify gaps and determine priorities for future action and implementation.

7.7. Measuring Success

- 7.7.1. A long term measure of success would be the creation of a clearly established process within Defence and the defence industry for:
- profiling the Defence sector to universities, vocational education institutions and high schools, and;
 - compatible professional development frameworks in key disciplines, commencing with project management, engineering and logistics.

7.8. Conclusion

- 7.8.1. Standardising training, joint Defence-Industry profiling and project performance will improve the cross-skills of Defence and industry employees. This will allow more fluid movement between Defence and industry, by breaking down traditional barriers of skills and training gaps.

STRATEGY 3: IMPROVING EMPLOYEE MOVEMENT

8. RECOMMENDATION: COMBINE GRADUATE AND CADET PROGRAMS BETWEEN DEFENCE AND INDUSTRY

8.1. Executive Summary

- 8.1.1. Defence and the defence industry have well-developed and structured graduate and cadet programs. The graduate programs are targeting critical skills shortages required for the defence sector.
- 8.1.2. Graduates and cadets are recruited in similar disciplines across the defence sector. Key disciplines include engineering, law, accounting, logistics, business and commerce. There is strong potential to use graduate and cadet exchange programs, to generate a higher level of understanding amongst new recruits, of broader Defence and industry issues. It would give new graduate recruits and cadets the opportunity to enhance their professional development and increase their understanding of customers and stakeholders.
- 8.1.3. Given that graduates are part of the full-time workforce and have structured 12 – 18 month programs, it is proposed that this initiative be piloted with graduates and then extended to cadets and other entry level recruits.

8.2. Description of the Initiative

- 8.2.1. The target group for this initiative would be new recruits participating in current graduate programs in Defence and industry. For the purpose of this initiative, rotations will be between industry and Defence and not between defence companies.
- 8.2.2. Industry and Defence rotations would be based on professional development requirements for individual graduates. For example, DMO engineering graduates could benefit from a practical engineering rotation in industry. This could assist them to obtain their Certified Practicing Engineer in a shorter timeframe. Similarly a 'commercial' graduate from industry could benefit from a broader understanding of the Defence procurement or financial management environment.
- 8.2.3. A list of suitable rotations within Defence and the defence industry would need to be identified annually, and then made available to suitable graduates, based on their professional development requirements.
- 8.2.4. Graduate rotations should be limited to a three month period. They could be extended for up to an additional six to eight weeks, based on the nature of the project and the professional development requirements of the specific graduate.

8.3. Benefits of the Initiative

- 8.3.1. These initiatives will assist Defence and the defence industry by:
- strengthening relationships and working collaboratively on workforce development;
 - acting as an 'attraction' and 'retention' initiative, promoting the defence sector to potential new graduates rather than individual organisations;
 - providing more compatible professional development and career management pathways to graduates across the defence sector, and;
 - establishing a basis for attracting, developing and retaining graduates for the defence sector as a whole, rather than individual companies.

8.4. Framework for Implementations

- 8.4.1. A working group, ideally drawn from both Defence and industry would be required to develop a detailed policy and guidelines for the Graduate and Cadet Exchange Program. This activity could possibly be undertaken by the JTTF, however, it is not known if the current members of the JTTF are able to contribute because of individual workplace priorities.

- 8.4.2. The Graduate Exchange Program policy and guidelines should include a 'no poaching' agreement, with clearly defined responsibilities for both, the 'home' and 'host' organisations.
- 8.4.3. A list of suitable exchanges within Defence and industry (in Australia), that are suitable for graduate exchanges and work placements will be established.
- 8.4.4. The working group will be required to manage the 'pilot' phase of the program and to review and evaluate its effectiveness. The working group will liaise with the Graduate Management Teams within each organisation. In the longer term, once the 12 month pilot is completed, the initiative will be managed by the individual graduate management teams within each organisation.

8.5. Timeframe

- 8.5.1. The consultation process could be completed, and policy and guidelines for the graduate rotation program established, by December 2007.
- 8.5.2. The initiative could be piloted from February 2008, which is the date when the new graduate program commences for all of the relevant organisations.
- 8.5.3. The pilot will be conducted over a 12 month timeframe from February 2008 – February 2009.

8.6. Stakeholder Engagement/Interest

- 8.6.1. Further consultations will be required with line areas in industry and Defence, with potential to host a graduate exchange, specifically to establish the range of requirements. Consultations will also be held with a cross section of line areas managing graduate programs within Defence and the defence industry, to ensure that their concerns/issues are addressed.
- 8.6.2. Consultations will also be undertaken with senior leaders and decision makers in both Defence and the defence industry organisations, and with a cross section of graduates in target disciplines to obtain feedback and an understanding of their requirements.

8.7. Constraints and Risks

- 8.7.1. The confidentiality and conflict of interest issues need to be assessed as part of the graduate exchange program. There are specific positions and projects in both Defence and the defence industry that will not be suitable for an exchange program.
- 8.7.2. Poaching could be an issue. All organisations involved in this initiative will need to sign a 'no-poaching' agreement to ensure that exchanges and placements are for professional development of graduates and mutual organisational benefits only.
- 8.7.3. Rotations would be closely linked to professional development and learning requirements of graduates. A structured work placement with clearly defined responsibilities, reporting arrangements and learning outcomes would form the basis for the rotations. Graduates should not be provided merely as an 'additional resource' to a work areas in Defence or the defence industry.

8.8. Measuring Success

- 8.8.1. The broad performance measures to establish success would include:
 - achieving the outcome and timeframes outlined in Section 8.5, and;
 - the pilot program generating positive feedback from graduates, and the home and host organisations.

8.9. Conclusion and Recommendation

- 8.9.1. Joint Defence-Industry graduate and cadet exchanges are a simple but effective way of introducing young employees to the broader defence sector. They can illustrate the variety of work available and opportunities for successful careers in the sector, leading to improved retention rates into the future.
- 8.9.2. The exchanges and work placements offer another basis for professional development of graduates in targeted disciplines.
- 8.9.3. This initiative can also be established quickly because many organisations have similar graduate and cadet programs that can be altered without significant ground work.

STRATEGY 3: IMPROVING EMPLOYEE MOVEMENT

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| 9. RECOMMENDATION: ESTABLISH SENIOR MANAGEMENT EXCHANGES TO PROMOTE ORGANISATIONAL CHANGE AND CAREER MOVEMENT |
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9.1. Executive Summary:

- 9.1.1. The purpose of this initiative is to facilitate exchanges and work placements between Defence and the defence industry. The initiative is targeted at achieving greater mobility and joint collaboration on work issues at the most senior level, between Defence and the defence industry.
- 9.1.2. The focus will be on placements between Defence and the defence industry and not between defence companies. The work placements program may involve direct exchanges between some positions, but overall, concentrate on placements that are mutually beneficial to both Defence and the defence industry. This initiative aligns with Strategy 9 of the Defence Industry Policy Statement (DIPS).

9.2. Description of the Initiative

- 9.2.1. The exchange/work placements program would target senior managers and senior leaders i.e. the decision makers. Military staff that would most benefit from exchanges would be at the Colonel equivalent level.
- 9.2.2. Within the DMO and industry, there could be a need for exchanges at a more senior level (SES Band 1 -2/Mil E). For example, DMO Acquisition Category 1(ACAT1) project managers are senior leaders in the organisation who could benefit from a four to six week period in industry, to gain a broader understanding of project leadership through a short term position in a different work environment. These exchanges at the most senior level would be based on familiarisation and strategic level input to specific projects and initiatives.
- 9.2.3. Exchanges and placements would be directly linked to agreed professional development and career management requirements of individuals. The secondments could be used as succession planning initiatives by the relevant organisations. Learning and development to be obtained through the placements should, form part of an individual performance agreement and career management plan.
- 9.2.4. Placements could be both within Australia and overseas, depending on the professional development requirements of the individual and the opportunities available.
- 9.2.5. The duration of placements would vary but not exceed 12 months. At the most senior level (representatives of executive decision making bodies), shorter, targeted work placements of four to six weeks is envisaged. The rationale for this is the difficulty of releasing senior leaders over more extended periods.

9.3. Benefits of the Initiative

- 9.3.1. These initiatives will assist Defence and the defence industry to:
 - strengthen relationships and work collaboratively on workforce development;
 - provide broader, targeted professional development and career management opportunities, and;
 - establish a basis for developing and retaining skilled and qualified staff within the defence sector.

9.4. Framework for Implementations

- 9.4.1. A working group, ideally drawn from both Defence and industry, would be required to develop a detailed policy and guidelines for the Senior Management Exchange Program. This activity could possibly be undertaken by the JTTF, however, it is not known if the current members of the JTTF are able to contribute because of individual workplace priorities.

- 9.4.2. The Senior Management Exchange Program policy and guidelines should include a 'no poaching' agreement with clearly defined responsibilities for both, the 'home' and 'host' organisations.
- 9.4.3. A list of senior management positions (Colonel, (and equivalent), and above) in Defence and industry (both within Australia and overseas) that are suitable for exchanges and work placements will be established. The list could include shorter strategic level familiarisation placements (four to six weeks) for senior leaders.
- 9.4.4. An organisation will be required to manage the 'pilot' phase of the work placement program and to review and evaluate its effectiveness. In the longer term, a line area in the DMO Industry Division could manage the Senior Management Exchange Program, monitor and evaluate outcomes and focus on continuous improvement.

9.5. Timeframe

- 9.5.1. The consultation process could be completed and policy and guidelines for the work placements program established by December 2007. However, this date would be impacted by the availability of both Defence and industry representatives to take on this work with other workplace priorities.
- 9.5.2. The initiative could then be piloted from March 2008, subject again to competing workplace priorities from within both Defence and industry.

9.6. Stakeholder Engagement/Interest

- 9.6.1. In preparing the policy and guidelines consultation will be undertaken with senior leaders and decision makers in organisations, with the potential to sponsor a senior level work placement. Feedback would also be required from the executive leadership group within each organisation.

9.7. Constraints and Risks

- 9.7.1. Confidentiality and conflict of interest issues need to be assessed as part of the work placements program. There are specific positions and projects in both Defence and the defence industry that would not be suitable for an exchange program.
- 9.7.2. Poaching could be an issue. All organisations involved in this initiative would need to sign a 'no-poaching' agreement to ensure that exchanges and placements were only for mobility and professional development.
- 9.7.3. The ability of organisations to release senior managers (specifically, those managing critical projects), over extended periods to other organisations needs to be resolved. This is a risk management issue that must be addressed in the context of professional development, career management and succession planning by each organisation.
- 9.7.4. Senior management exchanges would be integrated with the broader organisational professional development programs. For example, each of the Defence Service Groups has well-developed career management processes for senior officers, including further study and professional development. Industry exchanges, as another mechanism for development, would, ideally be implemented in the framework of existing initiatives. Similarly, DMO and industry have structured professional development for key job disciplines and streams.

9.8. Measuring Success

- 9.8.1. The broad performance measures would include:
- establishing up to ten senior management exchanges/work placements during the pilot phase of this initiative: March 2008 – March 2009;
 - achievement of the outcomes and timeframes outlined in Section 9.4 and 9.5;
 - the receipt of positive feedback about the pilot program from participants as well as the 'home' and 'host' organisation;

- an increased level of mutual understanding by participants of the issues being faced by Defence and the defence industry;
- the contribution to professional development, and the identification of career paths for individuals participating in the program.

9.9. Conclusion

- 9.9.1. Senior managers drive strategy within organisations. Successfully implementing an exchange program will promote organisation-wide cultures of exchange and skills enhancement. This will lead to employees with rounded skills-bases, which can be transferred more easily between Defence and industry
- 9.9.2. It should be noted that much of the work to establish a senior officer exchange program has commenced as part of the implementation of Strategy 9 of the DIPS, Key Point 21: *“A Defence and industry secondment program will be trialled in the second half of 2007 with the objective of improving understanding between Defence and industry personnel.”*

STRATEGY 4 - BRANDING THE AUSTRALIAN DEFENCE SECTOR

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| 10. RECOMMENDATION: ESTABLISH AND PROMULGATE A DISTINCT STRATEGIC BRAND FOR THE AUSTRALIAN DEFENCE INDUSTRY SECTOR |
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10.1. Executive Summary

10.1.1. The aim of this initiative is to improve awareness, enhance career prospects and to promote general recruitment in the wider defence sector. The manner in which the defence industry sector is branded will become critical to the success and expectations of Defence, and its industry partners.

10.1.2. Currently there is no overarching brand strategy for the Australian defence industry sector. Defence industry is not promoted in a unified manner. Consequently, employment and career opportunities in the sector are poorly understood and this in turn reduces the attractiveness for, and retention of, current and future employees. To remedy this, the JTTF recommends establishing and promulgating a distinct strategic brand for the Australian defence industry sector.

10.2. Description of Initiative

10.2.1. The initiative seeks to develop an overarching brand strategy to promote the career pathways in the defence industry sector, which is aligned to the already recognised ADF and individual and company brands. However, the defence industry brand strategy must be distinct from the Army, Navy and Air Forces brands and not subsume individual company branding.

10.2.2. The JTTF have identified a number of potential marketing programs within the initiatives in this report. Replication of those marketing programs within this initiative is not intended. The target audience for the strategy are the 'trades qualified', semi-professionals and professionals across all industry sectors.

10.2.3. The branding strategy would include the development of a logo and positioning statement. An associated marketing plan, which incorporates the necessary research and analysis, to create a brand strategy would be produced. A potential component of the brand distribution could be the production of a defence industry website, similar to those that have already been developed by the Services, which are aimed at the youth market.

10.2.4. Finding a point of differentiation between the defence industry and the wider industry is paramount. Emphasising the unique nature of defence-based work, such as its state-of-the-art technology and project challenges, may be a potential theme on which to build.

10.2.5. Defence industry by its very nature, encompasses a broad array of high-tech solutions to battlefield problems that have application for the wider industry. Nevertheless, anecdotally, the variety of work and career options Defence and the defence industry provide are poorly promoted and understood by the general community.

10.2.6. Innovative technology and processes could be promoted to a new sector of the Australian labour force as a desirable, attractive, exciting, cutting edge career path that has an element of mystique and exclusivity.

10.2.7. Defence industry creates opportunity for the whole of Australian industry through the use of innovative technology, by improving the operational capability for Australian industry as a whole. Examples can be illustrated such as robotics in manufacturing, surveillance and security systems, whilst medical procedures are refined through battlefield experience and utilised in situations such as Bali and Ache.

10.2.8. Once established the brand could be used at all major defence and industry gatherings including the Avalon International Airshow, the bi-annual Pacific Conference and the Defence + Industry Conference, as well as careers, university and TAFE open days. The branding would be used in an inclusive manner, with all organisations and stakeholders involved in the defence sector, receiving access to the brand.

10.3. Critical Components for Implementation

10.3.1. Support of the large defence industry companies will be critical to the success of the brand program. The support of these companies could be used to leverage increased participation by the SMEs within the defence industry. Essential work to be undertaken by Defence and the larger defence companies to establish the defence industry brand includes:

- the establishment of Terms of Reference and the identification of the work required to develop a brand strategy, and;
- the identification of sources of funding for the initiative.

10.4. Benefits of the Initiative

10.4.1. The initiative would promote the defence industry as a distinct employer group offering a broad range of challenging and exciting career opportunities.

10.4.2. Raising awareness of career prospects and promoting general recruitment to the target audience ('trades qualified', semi-professionals and professionals) will add value to employment within Defence and the industry.

10.5. Framework for Implementation

10.5.1. A working group, ideally drawn from both Defence and the industry would be required to develop a detailed policy and guidelines for the terms of reference for participation in the program.

10.6. Stakeholder Engagement/Interest

10.6.1. The stakeholders involved with this initiative are Defence, industry and the target audience.

10.7. Constraints and Risks

10.7.1. The conflict of interest issues between the various stakeholders present both, a constraint and a risk to the initiative. Consultation, identification and prioritisation of issues will mitigate the majority of risk; however, full consideration of the identified issues may not be achievable.

10.7.2. A lack of broad industry engagement in participation is likely to reduce the effectiveness and value of the brand.

10.7.3. Engaging independent marketing professionals to undertake a feasibility of a branding program, its scope and potential impact are critical to the success of this initiative.

10.7.4. To date there is no Federal government funding for this type of initiative. Furthermore, attributing costs for the development of a brand strategy across the defence industry's small to large enterprises would significantly complicate implementation.

10.8. Measuring Success

10.8.1. Increase in hits on the proposed website, and flow-on employment enquiries with participating defence industry members.

10.8.2. Increase in number of applications received for advertised positions within defence industry members.

10.9. Conclusion

10.9.1. The initiative is directed towards a whole-of-industry approach to developing and maintaining a brand strategy that will improve awareness, enhance career prospects and to promote general recruitment within Defence and industry.

10.9.2. Funding is a key issue and sources will need to be identified through the development phase of this initiative.

ENVIRONMENTAL SCAN FOR SIMILAR PROGRAMS

Initiative 1 – Increasing Access to ADF Training

As outlined the Air Force has the most developed ADF-industry integrated training program. As such, this is the obvious starting point for future investigations. Nevertheless, examining all three Services arrangements would provide the most comprehensive understanding of joint training.

Defence has current policy on the provision of training to contractor personnel (DPI 05-34). This provision is limited to training in the Defence-specific skills required for the safe and effective performance of a contracted function.

Initiative 2 – Replicating the Queensland Aerospace industry Project

At this stage the Queensland Aerospace experience outlined within would provide a very solid foundation to work from.

Adopt-A-School

Another possible avenue of exploration in the shorter term is the DEST-Ai Group Adopt-A-School Program.

Through the Adopt-A-School Program, Local Community Partnerships encourage businesses to adopt a school in their area, and engage young people in hands-on learning experiences. The program builds strong and ongoing partnerships between businesses and schools, which ultimately benefit all those involved.

Students are given the opportunity to gain real experience, learn about the career opportunities open to them, and find out about the kinds of skills employers are looking for. On the other hand, local businesses gain experience in working with today's young people and have a hand in shaping their future workforce.

The Adopt-A-School Program also focuses on meeting future skills needs by encouraging young people to learn in new and emerging industry sectors and those which have current or predicted skills shortages.

A typical Adopt-A-School project is set within a particular industry sector and runs to a project plan. It gives participating students hands-on learning under the guidance of an industry mentor and produces a defined finished product. When the project is completed, a student awards evening or community-based event is often held to celebrate the project and the cooperation of all involved.

Adopt-A-School projects can be based in business or industry, in the community or in schools. They include activities such as:

- building a product;
- planning an event;
- tours, site visits and excursions;
- speakers and demonstrations;
- student research and enterprise projects;
- mentoring by industry specialists and local businesses;
- projects with industry-specific hands-on learning, and;
- competitions and games.

The Adopt-A-School Program also aims to involve teachers and families in activities in order to give them a better understanding of the career pathways open to today's young people.

Local Community Partnerships use the industry links and local knowledge of their Regional Industry Career Advisers to encourage businesses to get involved in the program. More information is at <http://www.careeradviceaustralia.gov.au/parents/adopt_school.htm>.

Initiative 3 – Replicating SME VET and Work Experience

There are a large number of programs and information that could assist the expansion and replication of this initiative.

Careers Advice Australia

Career Advice Australia is an Australia Government initiative that works closely with existing career and transition programs to provide a national career development and transition support system for all young Australians aged 13 to 19 years.

The Career Advice Australia initiative focuses on encouraging industry to be actively involved in shaping their future workforce by leading the way in young people's career development, guidance and training.

It has advice on:

- *Local Community Partnerships* which assist schools and local community organisations to help young people gain skills, experience, professional guidance and access to industry-based career information through career development support;
- *Regional Industry Career Advisers* which ensure young people have access to information about local career opportunities;
- *National Industry Career Specialists* which represent the 10 major industry sectors (however not the defence sector currently);
- *Youth Pathways* which give personalised support to help young people who are having trouble staying in school or moving onto further education, training or employment, and;
- *Connections (previously known as Partnership Outreach Education Model POEM)* which give young people who have left school another chance at learning through flexible education and training options.

More information can be found at: <<http://www.careeradviceaustralia.gov.au/Default.htm>>.

VET In Schools Program

VET In Schools are programs undertaken by school students as part of the senior secondary certificate that provide credit towards a nationally recognised VET qualification. Under the *National Goals for Schooling in the Twenty First Century*, a student will experience vocational learning at each year level throughout their compulsory schooling and have access to VET in Schools programs in the post-compulsory years.

For more information about VET in Schools go to:

<http://www.dest.gov.au/sectors/career_development/policy_issues_reviews/key_issues/Vocational_Education_in_Schools/default.htm>.

Australian School-Based Apprenticeships

Australian School-based Apprenticeships provide the opportunity for young people to gain VET qualifications and undertake employment while also completing a senior secondary certificate. Under these arrangements the student is both a full-time student and part-time employee, with the same employment and training requirements as for other Australian Apprenticeships. For information about these arrangements go to;

<http://www.dest.gov.au/sectors/training_skills/policy_issues_reviews/key_issues/nts/>.

Australian Technical Colleges

The Australian Government is funding 28 Australian Technical Colleges across Australia in areas where there are skills needs, a high youth population and a strong industry base. These Colleges cater for Years 11 and 12 students who wish to study for their Year 12 certificate and start an apprenticeship whilst still at school (Australian School-based Apprenticeship). The College is there to support students through both academic and trade training; with mentoring, career advice and business and employability skills. These courses are all developed with industry input to ensure that the training offered will be relevant for local needs.

The important advantage of ATCs is that industry sectors have input into and can influence the development and content of training.

More information can be found at <<http://www.australiantechnicalcolleges.gov.au/>>.

Science, Engineering and Technology Skills Audit Report

The *Science, Engineering and Technology Skills Audit* is part of the Australian Government's commitment to developing Australia's potential through research and innovation.

The audit process has involved several research projects that aimed to develop a comprehensive picture of skills issues in Australia. This has included:

- an analysis of the supply of skills from the education and training sectors and demand for skills in the labour market;
- international factors influencing the decision of Australians to work overseas;
- a review of current literature;
- a national survey of youth attitudes towards the study of science, mathematics and technology subjects and their career aspirations;
- a national industry survey examining the demand for skills, recruitment difficulties, current vacancies and short to medium term outlooks;
- six key industry case studies;
- public submissions;
- public forums, and;
- consultations, including stakeholder meetings.

The summary report brings together the key outcomes of the audit. A collection of supporting documents is also contained on this site, providing a more detailed assessment of the outcomes of each of these research projects.

As a follow-up to the SET Skills Audit report, DEST commissioned four key research initiatives:

- engaging pre-school aged children and primary school students in science, engineering and technology - this project is investigating factors that engage pre-school aged children and primary school students to science, engineering and technology;
- community awareness and engagement with science, engineering and technology - this project is investigating the various ways in which students and the community engage with SET;
- understanding research career paths - this project will enhance DEST's understanding of the career opportunities for early to mid career researchers in Australia, through a survey of Australian research graduates to investigate the factors that influenced career decisions, and;
- attracting and retaining staff engaged in science, engineering and technology: A review of best practice - this project is examining the attitudes of SET employees toward human resource management practices to inform recruitment and retention policies, by providing a better understanding of what motivates them to seek out and stay in SET careers.

DEST is currently undertaking more detailed research on the four projects. More information and the report can be found at;

<http://www.dest.gov.au/sectors/science_innovation/policy_issues_reviews/key_issues/setsa/>.

Initiative 4 – Leveraging Downturns in Other Industries

The Victorian Government has a program called 'Skill Up', which is a rapid response program to retrain workers retrenched as a result of major industry downturns. The program provides up to 80 hours of retraining from a vocational education provider for free to retrenched employees. More information can be found at <www.eduweb.vic.gov.au/edulibrary/public/voced/skillup.pdf>.

Initiative 5 – Increase the use of 457 Visa Program and Virtual Teams

The following information is a list of defence related industries (as provided by Austrade) which were identified as being involved in global supply chains. They may be companies that could be

approached to develop preferred models of 'global recruitment and teaming' that could then be disseminated to the wider enterprise community that is of interest to Defence and the defence industry.

Joint Strike Fighter (from DITR website)

JSF engine prime contractor Pratt & Whitney has selected Melbourne-based Production Parts to fabricate critical components for its F135 JSF engine with hardware deliveries to begin in 2005. Production Parts is the first company in Australia to secure F135 business with Pratt & Whitney and the company anticipates a long-term relationship.

Tel (03) 9338 3366 <www.productionparts.com.au>

On the back of an earlier order for cable assemblies for JSF, another Melbourne-based company, Cablex, specialising in electro-mechanical cable and harness assemblies, has received a trial order from Northrop Grumman for radio frequency connectors.

Tel (03) 9563 8788 <www.cablex.com.au>

Micreo has been contracted with BAE Systems to design, develop and test specific components of the electronic warfare system on the futuristic fighter plane. 80 per cent of the company's sales are now exported to international aerospace operators like BAE Systems.

Tel (07) 3340 6247 <www.micreo.com>

Automotive (from Australian automotive intelligence Yearbook 2007)

Futuris Automotive Group

Tel (03) 96444222 <www.futuris.com.au/corp_automotive.asp> and
<www.futurisautomotive.com>

Air International Thermal Systems

03 9248 7800 <www.aithermalsystems.com>

Automotive Components Ltd

03 9285 4000 <www.acl.com.au>

Drivetrain Systems International

(03) 8456 5800 <www.dtsysint.com>

Schefenacker Vision

(08) 8301 7777 <www.schefenacker.com>

Initiative 6 – Promote the Defence Sector as a Viable Second Career

There are many existing programs that will encourage people, particularly women, back into the defence sector:

- Department of Family, Community Services and Indigenous Affairs (FACSIA) programs;
- Welfare to Work Initiative;
- Office of Women initiatives;
- Childcare initiatives;
- Defence Recruitment and Retention of Women Strategy;
- Defence Force Recruiting (DFR) Recruiting of Women to the ADF Plan, and;
- ADF Transition and Relist Initiative.

Initiative 7 – Facilitate Collaborative Approaches to the Education Sector

Possible areas of investigation for existing programs may include:

- coalition partners' defence and industry exchanges, such as the United Kingdom's (UK) Ministry of Defence and Canadian Department of National Defence. The UK Defence Export Services Organisation often used periodic secondments;

- the UK 'sponsored' Reserve Program where industry constitutes a military unit of Reservists who can move between their civilian roles as contractors and Defence as uniformed reservists;
- ADF model for international exchanges between defence forces, and;
- RPDE and CTD outlined above.

Initiative 8 – Graduate and Cadet Exchanges

Graduate and cadet programs are common in most large organisations. Some that could be beneficial to examine would be:

- Australia Public Service Commissioner (APSC) graduate rotations;
- the DMO's Materiel Graduate Scheme, which has previously offered industry-based rotations on an ad hoc basis, and;
- the APSC's Cadet Exchange Program.

Initiative 9 – Development of an Australia Defence Industry Sector Brand

Existing Secondment Programs

Management exchanges and secondments are in place in many organisations. Two that provide program templates, draft terms of reference and policy are:

- the World Bank, which has been operating an exchange program since 1995. World Bank staff in a variety of fields are placed in the private sector for terms ranging from a few months to a few years. More information can be found at <<http://web.worldbank.org/WBSITE/EXTERNAL/EXTSTAFF/EXTTHR/0,,contentMDK:20952422~pagePK:64233720~piPK:444052~theSitePK:444049,00.html>>, and;
- the Powerhouse Museum offers placements for regional museum employees including curators and educators. This allows regional staff to gain experience with senior Powerhouse Museum employees and work on specific projects at the Powerhouse. More information can be found at: <http://www.powerhousemuseum.com/pdf/regional/regional_internship_exchange_program_2008_flier.pdf>.

Communities of Practice

Additionally, senior management practices could be improved by establishing Communities of Practice to share ideas and promote knowledge management. The Natural Resource Management (NRM) sector actively pursues Communities of Practice to improve its processes and outcomes. The defence sector could leverage off the NRM's ideas and experience. More information is found at <http://www.regional.org.au/au/apen/2005/3/2777_jamesj.htm>.

Principal For A Day

Principal For A Day is a unique program which is a catalyst to strengthening relationships between government schools, business and the wider community.

By being a 'Principal for A Day', business and community leaders get a first-hand behind-the-scenes view of a normal school day, including in-depth management discussions with the principal, taking classes with students, talking with parents and staff, even doing canteen or yard duty. Relationships continue long after the school visit is over.

The purpose of Principal For A Day is to promote business-education partnerships by:

- enabling business/community leaders to experience first hand the issues facing schools, and to meet with students, staff and the wider school community;
- matching business/community leaders with school principals for in-depth conversations around management and leadership, and;
- developing ongoing relationships based on shared knowledge and mutual respect and understanding between business and public education.

Program results include improved physical, technical, financial and human resources, professional learning exchanges, curriculum development, careers advice, industry and work experience visits, and two-way mentoring. More information can be found at <<http://www.acer.edu.au/pfad/>>.