

# VOCATIONAL EDUCATION REFORMS UNDERWAY, PROVIDING MORE SUPPORT FOR EMPLOYERS

By Warwick Quinn

The way we deliver vocational education and training in New Zealand is changing to better support our future workforce and employers. The transition is well underway, but we understand there are still a lot of questions. This article answers those questions to ensure employers know what to expect next.

#### Why is this change happening?

A couple of years ago the Minister of Education, Hon Chris Hipkins announced the reform of our vocational education (ROVE). Amongst other things the reforms are focused on developing a vocational education system that is fit for the future, addresses the inequities in the system and is more flexible and adaptive to help businesses obtain the skills they need. Skill shortages have been felt for many years and COVID is making them even more apparent, highlighting how dependent we had become on foreign workers to fill some of our skill gaps.

By the end of 2022 Te Pūkenga will become the largest nationwide provider of vocational education and training. Te Pūkenga gives us the opportunity to change how we train our people and support our employers to ensure a highly skilled workforce that contributes to our country's economic growth.

We are moving away from the current competitive system where 27 separate polytechnics and industry training organisations compete for the same talent. We know that this stifled collaboration and innovation, generated duplication and an unsustainable financial position. While many have benefited, many have not. In particular Māori, Pasifika and disabled learners have not done as well in the current system and employers have also found it difficult with only 15%-20% of businesses using the system at any one time to upskill staff.

#### What do the changes actually mean - who do I need to know about?

Te Pūkenga is becoming a new nationwide provider of vocational education and training. It brings together the 16 institutes of technology and polytechnics (ITPs) and the arranging training functions from many of the 11 Industry Training Organisations (ITOs). The ITPs are already subsidiaries of Te Pūkenga and ITOs have started to join - Competenz and Connexis were the first movers. BCITO and MITO are scheduled before the end of 2021, with the remainder who opt to join Te Pūkenga transferring throughout next year. All ITO transitions will be completed by the end of 2022 ready for launch on 1 January 2023.

Once the transition is complete, Te Pūkenga will become one of the largest tertiary institutions in the world having some 13,000 staff and 280,000 learners.

The reform process has also established some other key players in the system:

- Workforce Development Councils: there are six industry specific councils that will develop the qualifications and workforce plans based on industry needs
- Regional Skills Leadership Groups: 15 regional groups have been set up to ensure local and regional needs are addressed
- Centres of Vocational Excellence: there are currently two pilots underway, one for the construction industry and one for the primary sector (with potentially more to follow)
- Te Taumata Aronui, as a key Māori advisory group on how to better serve Māori learners and communities.

There has been a significant amount of research undertaken with learners, employers and staff to understand what the new system needs to do in order to move it forward. A large co-design group developed eight new service concepts (which have already been shared with employers) and Te Pūkenga is in the midst of developing what its operating model will look from like from 2023.

### What does this mean for employers and students/apprentices currently signed up with an ITO or polytech?

These changes do not affect apprenticeships, or any on-job learning programme. During the ITO transition phase it will be business as usual – apprentices will get the same qualification and will receive the same service from the same people they work with now.

#### Do these changes mean less on the job training?

No – there will be more opportunity for work-based learning. With almost 60% of vocational learning undertaken in the workplace, employers play a critical role in our nation's skill development. The new system will provide more opportunities to equip and support employers.

Programmes will be more targeted and aligned closely with sector requirements. Resources will be shared across the network and genuine support will be given to employers to help them teach and train better. There will be more flexibility in delivery options, and learners will be able to switch between various modes of delivery (e.g. classroom or work based) and move between regions without difficulty. These changes will be better for learners and employers. It will be easier for learners to access the training they need, and employers will have greater access to the people and skills they need.

#### How will sector and employer needs be met?

Sectors and regional voices will be embedded into Te Pūkenga. We often refer to the German or Swiss vocational systems as ones to aspire to, where businesses and education are 'joined at the hip', where the cultural respect for vocational learning is equal to academic learning and the best career pathway isn't the exclusive domain of the universities. Te Pūkenga has similar aspirations.

One of the most important changes, and one that is yet to be fully appreciated and understood, is the change of status for ITOs. Under the current system there are "providers" of training and "arrangers" of training. Providers can teach and are organisations like polytechnics, wananga, private training establishments etc. Currently, ITOs are standard setters (i.e. write the qualifications) and because of a conflict of interest with this function, are not allowed to teach, so they 'arrange' training and support the learner and employer.

That will change.

The standard setting functions of ITOs will now be the responsibility of Workforce Development Councils. When these are officially stood up on 4 October 2021, when this conflict for ITOs disappears and opens up all sorts of possibilities.

We know the best tennis player doesn't necessarily make the best coach. Similarly, an employer being technically proficient doesn't necessarily mean they have the skills to impart their knowledge and teach well (i.e. pedagogy) - these are a separate and critical set of skills. Some employers are great at it, others struggle with certain aspects or the type of apprentice they have. Just like at school a 'one size fits all' teaching approach doesn't work and it is no different in a work setting.

With the reforms Te Pūkenga can help lift the 'pedagogical' competency of businesses. We see them as an integral component of the ecosystem and teaching network. Te Pūkenga will provide support and resources and partner with employers to leverage each other's strengths. We will be agnostic to the mode of delivery and



respond based on learner and employer needs. The new funding system will ensure one form of provision is not favoured over another and the whole system will be easier to navigate and interact with.

For more information: tepukenga.ac.nz/employers

PULL QUOTE: During October, Te Pūkenga is seeking feedback from employers on the next stage of its operating model. For more information, go to www.tepukenga.ac.nz/opmodel

### SHORT FORM

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Te Pūkenga is becoming a new nationwide provider of vocational education and training. Te Pūkenga gives us the opportunity to change how we train our people and support our employers to ensure a highly skilled workforce contributing to our country's economic growth.

We are moving away from our current highly competitive system, where 27 polytechnics and industry training organisations compete for the same talent, and where employers have often found it difficult to engage with the system and get the talent it needs.

Te Pūkenga will bring together the 16 institutes of technology and polytechnics (ITPs) and the arranging training functions from most of the 11 Industry Training Organisations (ITOs). When fully launched on 1 January 2023, Te Pūkenga will become one of the largest tertiary institutions in the world having some 10,000 staff and 280,000 learners.

While these changes are taking place they do not affect apprenticeships, or any on-job learning programme. It will be business as usual – apprentices will get the same qualification and will receive the same service from the same people they work with now.

In the future, however, there will be more opportunity for work-based learning. With almost 60% of vocational learning undertaken in the workplace employers play a critical role in our nation's skill development.

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