

# **What do senior figures in Australian VET and industrial relations think about the concept of skill in work?**

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## **Abstract**

This paper reports on perceptions of skill and the effects that they have on policy. Interviews were carried out with people holding senior positions in State and national government departments (some in vocational education and training, some in industrial relations), tertiary sector bodies, and major employer and employee organisations. The interviews formed the initial phase of a national ARC-funded project on recognising the skill in jobs traditionally considered low-skilled. Interviewees were asked what they thought a skilled job was and how they arrived at that definition; about changes over time in ideas about skill; and about how perceptions of skill affected debates and policy in their own areas and more generally.

The interview transcripts were analysed to draw out key themes. On the whole, strong support was expressed for a view that all jobs contained skill, but it was noted by several people that their organisations used systems for allocating resources based on parameters that did not accord with this view. The interviewees discussed the effects of perceptions of skill on funding, on qualifications and on migration policies, as well as effects on self-esteem among workers. The findings provided a useful backdrop for subsequent phases of the project, which have been based around nine occupations across several industry areas.

## **Introduction**

This paper reports on the first phase of a three-year research project on skill in work. Subsequent phases have included, *inter alia*, company case studies involving interviews with workers, supervisors and managers. The aims of the project as a whole are:

1. To achieve better recognition of skill and skill levels in occupations and work processes which are labelled 'low level' or 'low skill' but which may contain unrecognised or under-recognised skills.
2. To examine the effects on policy and practice, at national and company level, of labelling as 'low skilled' work that contains under-recognised and under-valued skill.
3. To investigate the potential outcomes of the findings about under-recognised skill for occupational qualifications as expressed in national Training Package, the major basis for curriculum for the Vocational Education and Training (VET) sector.

The research is funded by the Australian Research Council under the 'Linkage' program and there are three industry partners: two Industry Skills Councils (Manufacturing Services Australia and Service Skills Australia) and the trade union United Voice. Industry partners provide cash and/or in-kind support for Linkage projects.

The paper reports on high-level expert interviews (Bogner, Littig & Menz, 2009) with relevant stakeholders in the vocational education and training (VET) and industrial relations sectors. It was reasoned that policy was effected at these high levees and it was necessary to understand what those responsible for policy actually thought. Subsequent phases of the project have involved detailed study of nine occupations, consisting of industry-level interviews, company case studies, and validation by industry experts.

## **Background and literature**

In this discussion of the background and literature, we draw primarily upon the sociological literature on skill. We are not concerned in this paper with individuals' acquisition of skill and expertise in their work, as the research project did not include this topic among its research questions. Nationally and internationally, the nature of skill in work is regarded as problematic and confusing (Esposto, 2008). There is an extensive scholarly and policy debate on the issue, and also a very real practical impact for a large proportion of the workforce. Some jobs are regarded and discussed publicly as skilled, and others are dismissed as unskilled, often with little attention to the bases for such judgments.

Skill can be understood as the expertise, ability or competence, generally acquired through instruction or working experience, to undertake specific activities (Brown, Green & Lauder, 2001, p. 23). Traditionally, 'skill' and 'competence' have been thought of as associated with the skilled trades and manufacturing, where work processes and the skills and competencies to perform them are easily visible. It is relatively easy to tell if a person has the competence to perform, say, a particular type of weld, but with the growth of the service sector, a greater proportion of the workforce is performing work with an increasingly interpersonal and intangible aspect (Korzcynski, 2002), with 'skill' much less visible and able to be conceptualised. Also, workers in most occupations are now being called upon to manage increasing work intensity, greater responsibility, and greater interdependence and interpersonal content of work (Boreham, 2002).

'Skill' has always been a problematic concept, combining elements of 'objective competence' and social construction (Attewell, 1990; Littler, 1982). Many attempts have been made 'objectively' to describe the skill in work. These include functional analysis based on a three-dimensional conceptual framework with people, data and things (Fine & Cronshaw, 1999). A critique, however, is that the so-called 'objective' measures are intrinsically gendered and racialised (Steinberg, 1990).

The 'social construction of skill' means that labelling a job or a person 'skilled' is a social process, that may bear only a tenuous relationship to the possession of, or requirement for, an 'objective competence'. Occupations that have professional or industrial power have been more successful in being recognised as skilled, and thus gaining access to, for example, formal training and qualification structures (Payne, 2009; Thompson, 1989). Feminist writers, who have made a strong contribution to theory in the area, point out that much of the work frequently performed by women, like 'care' work or customer service, is regarded as not 'really' skilled, thus denying recognition and rewards to skills and knowledge that may be discounted as women's 'natural' attributes (eg Steinberg, 1990).

Another way of attributing skill to work is through the use of proxies, eg qualifications, pay rates, or the length of training undertaken. The Australian Bureau of Statistics (ABS, 2005), for example, uses these in its occupational classifications. Such proxies are problematic (Young, 2004), can be seen as the result of social construction, and are used primarily because of a lack of other data (Gatta, Boushey & Appelbaum, 2007).

How do these debates relate to the system of VET qualifications? For occupations serviced by the VET sector, most qualifications are now contained within national Training Packages, each consisting of a set of units of competency, a qualifications framework, and advice about assessment, and covering almost all industry and occupational areas (Smith, 2002). They are developed by Industry Skills Councils with advice from industry, training providers and other stakeholders; the process of development and review, often lengthy and highly contested, is overseen currently by the National Quality Council. While competency based training and Training Packages have been the subject of controversy over the past two decades (summarised by Smith, 2010 and, in the UK, by West, 2004), reviews of the system have shown that the system is generally acceptable to stakeholders (Schofield & McDonald, 2004). Training Package developers have struggled, however, with how to address 'soft skills' in the units of competency. Some widely-understood 'soft skills' such as customer service are relatively describable as listed skills, but other less tangible skills are not. Embedding key competencies and now employability skills has proved problematic and has been attempted in different ways, none wholly successfully. Embedding generic skills rather than teaching and assessing them separately can mean they are 'lost' (Hampson, Junor & Barnes, 2009).

A relevant feature of the system is that many occupations regarded as 'low skilled' have only recently been assigned qualifications in Australia. Compared with long-standing curriculum for traditional trades, occupations such as retail, housekeeping, cleaning and security have only recently accrued formal qualifications. The curriculum in such Training Package qualifications is often perceived as being relatively 'thin' (Smith, 2002), with the 'underpinning knowledge' section of the units of competency slight compared with traditional trades which have a long-standing existing body of knowledge. Many newer qualifications are often delivered primarily on-the-job; if delivered poorly, underpinning knowledge may be confined to that needed for that circumstance and theoretical constructs may not be covered (Smith & Smith, 2009).

## **Method**

The aim of these interviews, which formed Phase 1 of the three-year project, was to uncover perceptions of skill among those people who have major inputs into policy, and the effects that perceptions of skill have in different areas of policy. Interviews were completed, by phone, in 2011-12 with 19 senior national officials (Table 1) who were responsible in different ways for devising and implementing policy relating to skill in work. Interviewees included senior officials from Commonwealth and State Governments responsible for training and industrial relations, statutory bodies, peak employer and employee bodies, and education system bodies. These officials were carefully selected as those with high-level government responsibilities and as leaders of national working parties, initiatives and committees in the area.

Questions, derived from the literature and from the project's research questions, were as follows:

1. What do you think a skilled job is?
2. What basis/bases did you use to form that definition? From where did you derive your views?
3. Thinking about jobs that you regard as unskilled or low skilled, what makes you think they are unskilled or low skilled? Are there different levels of skill in that job/those jobs? How would you improve the levels of skill in that job/those jobs? How would you improve the perceptions of skill in that job/those jobs?
4. Can you see any changes over the past x (please nominate a time period) years in the way people think about skill?
5. How do perceptions of skill affect debates and policy? (a) In the area in which you operate? (e.g. allocation of funding) and (b) More generally?
6. Apart from policy effects, are there any other effects of jobs being perceived as skilled or low-skilled?
7. To sum up, what do you think (a?) skill is, and how would you recognise it?

Some of the questions in the interview protocol had been developed for a pilot project carried out within the service industries (Smith & Teicher, 2011). There was a great deal of interest in the topic and referrals were received to other people. The number of interviews exceeded our initial objective and provides a wide range of perspectives. However, while VET-sector interviewees were exceptionally honest and open, interviewees from the industrial relations sector were more cautious with three even unwilling to name their organisations and/or position.

We found those interviewed were particularly engaged by the topic, and so interviews often took more than an hour to complete.

**Table 1: Interviewees (names removed)**

<b>Job title</b>	<b>Organisation</b>
CEO	Skills Australia
CEO	Group Training Australia
Executive Director	Australian Qualifications Framework Council
Branch Manager, Industry Workforce	Department of Education, Employment & Workplace Relations (DEEWR) (Federal)
Branch Manager, Apprenticeships	DEEWR (Federal)
General Manager	Department of Education and Communities, NSW (State)
Director, Market Facilitation	Department of Education, Early Childhood and Community Development, Vic (State)
Director, State Workforce Planning	Department of Training and Workforce Development, WA (State)
Branch Manager	Australian Government Office for Women (Federal)
CEO	Australian Council for Private Education & Training
Project Director	National Skills Standards Council
Industrial Officer	Australian Council of Trade Unions (ACTU)
<i>Wished not to disclose</i>	ACTU
Federal public servant wages policy	<i>Wished not to disclose</i>

<i>Wished not to disclose</i>	Statutory body (industrial relations) <i>Wished not to disclose name of body</i>
Director, Education & Training	Australian Industry Group
Director, Policy	Business Council of Australia
Director , Employment, Education & Training	Australian Chamber of Commerce and Industry
Policy Manager	National Employment Services Association

Note: Some bodies and departments now have different names, due to restructures and changes of government.

The data were analysed thematically using the interview questions as a basis, with additional ‘emic’ (Stake, 1995) themes, arising from the participants, also drawn out.

## Findings and discussion

For reasons of space, only responses to questions 1, 2, 3 and 7 are analysed in this paper.

### *What is a skilled job?*

Six respondents mentioned that a skilled job required a formal qualification; however, four respondents said that this was not necessarily so, eg:

*the notion of equating qualification level, the skill level although it's a good proxy, it's not a perfect match by any stretch; quite often skill and qualification will go hand in hand but they are quite separate things* (State VET official)

Twelve said that time to learn and experience were important, and was not necessarily linked to a qualification, for example:

*requires a person to spend some period of time learning the things that the job requires and learning how they're applied to the job. It may be things that have come through their formal schooling or post school education; it may be some other things that come through operating as a person in the community* (Federal IR official)

Three respondents, the two State VET officials and one IR respondent, mentioned the Australian & New Zealand Standard Classification of Occupations (ANZSCO) classifications. The IR respondent said, however,

*I've certainly spent a fair bit of time considering the ANZSCO skill classifications and what they cover and what they leave out, and it's an incredibly impressive classification exercise of course; a stunning job that ABS have done with it. All the same, it's a relative framework. The lowest skill levels in there, and they're only going for five skill levels, are still skilled; they're not unskilled.*

Eight respondents, without prompting, said that every job was skilled. Examples of such responses included:

- I think all jobs have a level of skill attached to them so the notion of a skill versus an unskilled job isn't necessarily a right dichotomy (State VET official)
- I think every job involves some level of skill. I can't imagine even the most routine job, it might actually be better performed with some experience or training (National VET body official)
- all jobs have some level of skill attached to them, and require some judgement and discretion (Trade Union official)

- So I guess from my journey in life I see that there are a range of skills that apply to most vocations and I think a lot of those skills are important (State VET official)
- I think if you look at work, if you look at jobs, it's hard to say that there's a job that doesn't have a skill dimension. It's hard to say that there's a job that doesn't require a set of skills. Some would require more competent or higher level skills and probably a greater breadth of skills (Training provider peak body official)

In terms of aspects used in the literature to determine whether work is skilled or not, the following were mentioned: autonomy (2 respondents); complexity (2); and judgment (2).

*What basis/bases did you use to form that definition?*

Eleven of the respondents referred to their own experiences as forming the basis of how they viewed skill. Examples included:

- It's obviously from long experience and long observation (National education body official)
- Experience that I've had in the sector; tacit knowledge gained over my years in the sector would probably have led me to that answer. ((Training provider peak body official)
- From my experience in industrial relations, for example working with awards and classification structures in them (Trade union official)
- My observation that many jobs that are said to be unskilled turn out to actually require that a person already have learnt certain things and that they learn more things in order to be able to do the job. (Government IR official)
- Probably just observation over time...just observation of the interplay of lots of different things. (Industry peak body official)
- This is just I guess acquired through my own education, my experience. (Government body for women)
- Since I've worked in this VET space, one has come to appreciate the skills that are required to do jobs I think other people do think are simple. (federal VET official)

Three people mentioned they derived their views from research (their own or others), two from involvement in policy work, and three from economic theory.

*(Thinking about jobs that you see as skilled or unskilled) Are there different levels of skill in that job/those jobs?*

In line with the general view of respondents that all jobs contained skill, people were generally of the view that there were levels of skill in occupations rather than a differentiation between skilled and unskilled/low-skilled. One IR official said 'I'm more comfortable with thinking about a continuum of skills.' Two respondents used examples, in their thinking about this issue, of jobs that are often seen as near the bottom of a skills hierarchy:

*I can't imagine that a job doesn't require something of somebody, at least some capability to do something. I have difficulty to describe what unskilled means*

*exactly. Even if it's a labouring a job you've got to have the capabilities to dig a hole or whatever. (Industry peak body official)*

*[for a kitchen hand] At some point you've got to work out, change the water and it's all got a bit greasy and all of those things. So I think they're not unskilled but it depends on probably what your definition of skill is (Training provider peak body official)*

However, when pressed, people did give responses to what differentiated a 'high skilled' job from a 'low skilled' job. Responses to 'high skill' related to, firstly, cognitive work and secondly functions of the job role, as follows:

*Cognitive: I'd think of a high skilled job as something that involves complexity, judgement, and ability to apply particular knowledge and skills in context; rather than simply repeating a motion or procedure (Industry peak body official)*

*Job function: To be honest it's the kind of autonomy, it's the actual functional scope of what function you're serving, (Federal VET official)*

One response about 'low skilled' work was that it involved physical labour:

*a low skilled job is a job that requires labour, be it manual labour, significant manual labour or just light touch hands and feet and eye coordination labour; I think there is very little opportunity for progression up the skills ladder. (Official, peak organisation of intermediate bodies)*

*To sum up, what do you think (a?) skill is, and how would you recognise it?*

This final question provided some interesting answers as some respondents began to use different ways of talking about skill from those they had used earlier in the interviews. Four people talked in terms of skill being applied knowledge and that is related to context: eg 'You can see it if you see it in action.' Several people mentioned 'technical' or 'specialist' knowledge. Some people began to move to discussing how well people did their jobs, for example, 'Skill is a person's capacity to perform a task well'. Another respondent said

*If you think about someone who's sweeping the street, they can sweep the streets well or badly on the sweeping end of it and they can do the job well or badly according to how they handle the social encounters that are part of doing that job successfully and the job can be done quite unsuccessfully without the necessary skills to actually do what's needed. (Senior IR official)*

This statement melds the view of skill as a function of the job with the view of skill as the property of the individual. The latter is a feature of one strand of the skills literature; Vallas (1990) describes this strand as being present in the psychological literature rather than the sociological literature discussed earlier in this paper.

One person talked about skills adding value:

*a skill is something that adds to value to the individual as well as - to the individual, to the business, to the community, to society in general (Official, peak organisation of intermediate bodies)*

Several people mentioned that skill was difficult to pinpoint and describe, for example:

*Skilled work is work that you can do or do discernibly better with training and experience. It's easy to recognise it when it's linked to formal qualifications. It's a lot harder to intuitively recognise where it's not formally linked in those ways but I think we all know it when we see it. (IR sector person)*

## **Conclusions**

The respondents to this study, all in key roles in the Australian VET or industrial relations systems, displayed a nuanced understanding of skill. While recognising the role that qualifications played, they did not see qualifications as defining skill as the markers of the presence or absence of skill. The most obvious conclusion to be drawn from the analysis was that, overwhelmingly, respondents saw skill in all jobs, albeit to varying extents. There was also a sense that they did not like to see jobs 'looked down upon'. They were conscious, however, to varying extents of the official positions they were supposed to hold and two State VET officials explicitly said that in making decisions that were based on whether jobs were more or less skilled they needed to adhere to their departments' official views (which derived in both cases from ANZSCO classifications) but that they held quite different views themselves. The views expressed provided some indication that policies based on 'old' perceptions of skill were not necessarily immovable. The differences between VET-sector respondents and industrial relations (IR) respondents suggested that IR respondents were more bounded in their views and their actions by the industrial structures that they helped to administer. In this research, although many respondents felt that all jobs contained skills and that many jobs were unfairly categorised as low skilled or unskilled, the pay and award structures within which employers operate are firmly determined by formal scales and provisions often based on qualification levels as a proxy for skill. These structures have proved to be remarkably resilient over long periods of time and tend to reinforce traditional views of skill. So, despite the personal views held by IR respondents, the prospect of structural change in the IR system is probably lower than in VET.

The next phases of the project were designed to provide detailed data based on nine occupations suggested by the industry partner organisations. These data will help to 'flesh out' the more general issues discussed above, and are currently being validated by relevant industry experts.

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