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Employer training in Australia: current practices and concerns

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This paper presents and analyses results from a research project on current trends in employer training in Australia. While the formal vocational education and training (VET) system is well-researched, the everyday training that happens in workplaces is relatively under-researched in Australia. Using some of the results of an employer survey undertaken in 2015, the paper describes and analyses employer-based training across a range of industry areas. The survey included groups of questions on a range of matters, including the reasons why employers train, and how these relate to employers' perceptions of their operating environment, and the structures they have in place to manage and organize training. Detailed data are provided about three specific forms of training: in-house training and learning; the use that employers make of external providers of training; and employers' use of nationally recognised training – training from the VET system. Finally the paper reports what managers said about the barriers to providing more training. The paper analyses the findings in relation to the literature and also identified changes over time in training practices in Australian companies. Implications for training policy and practice, as well as for future research, are identified.

Introduction

This paper contributes to the existing literature in at least two ways. Firstly, while the vocational education and training (VET) system in Australia, as in most countries, has close links with industry, which are relatively well-understood, there is relatively

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little current information about training that occurs within industry, which may or may not be connected to the formal VET sector. Secondly and more broadly, the paper attempts not only to update but to strengthen our understanding of the field of Human Resource Development (HRD) within firms. This field is under-researched with relation to Australian firms, whereas much of the literature is dated, being between 15 and 20 years old. One reason for the lack of research is that the field of practice itself is not clearly defined, with practitioners variously described as training officers, learning and development specialists and so on (Hodge *et al.*, 2016). The research reported in this paper, funded by the National Centre for Vocational Education Research, set out to rectify the situation by providing some baseline data. It also set out to find if training practices had changed over time; and, therefore, comparisons were explicitly made with earlier research projects undertaken by the authors. The fieldwork was carried out in 2015. The earlier projects were as follows:

- *Enterprise training: the factors that affect demand* (Smith *et al.*, 1995).
- *Enterprises' commitment to nationally recognised training for existing workers* (Smith *et al.*, 2005).
- *Working together: industry and VET provider training partnerships* (Callan & Ashworth, 2004).

Although the project as a whole had two major foci – training within companies, and partnerships with VET training providers – this paper is confined to findings about training with companies. Hence, it is the first two projects above that were used to analyse changes over time.

The research questions for the paper are:

- Why do employers train their workers, and what factors affect the extent of training?
- What training methods and what sources of training were used by employers?
- What barriers to training are reported?

Background and literature

Drivers for training

All relevant literature shows that most employers provide some training for their workers. In Australia, the national Survey of Employer Use and Views (e.g. NCVER, 2013) asks about both formal and informal training. While the reasons for training among firms are complex and often specific to particular organizations, some general drivers for training have been agreed upon. These drivers include the rate of organizational change, increased globalization and competition, and, in response, the need for organizations to improve the overall capability of their workforce. However, as Neirotti and Paolucci (2013) have pointed out, these drivers do not necessarily increase the volume of training in all companies. Training increases firms' performance (Saks & Burke-Smalley, 2014), and increases workers' commitment to an organization (Salas *et al.*, 2012). Research has also identified training for compliance reasons, such as responses to changes to external regulations and legislative or licensing requirements (e.g. Smith *et al.*, 2008).

Influences on the type of training

Organizational characteristics affect training. These include organizational size; the industry in which the organization operates and its traditions associated with training; and organizational structure and location (Smith & Hayton, 1999). It is generally found that small organizations provide proportionately fewer training than large organizations (Freyens, 2006; Smith, 2003). McGraw (2014) identifies three contributing factors: larger companies benefit from economies of scale in training delivery; larger companies contain proportionately more employees who work in more highly skilled jobs; and small companies are less likely to make long-term investments due to market uncertainty and lower profit margins. Also, Panagiotakopoulos (2015) notes,

in the context of post-Global Financial Crisis austerity, that small firms are likely to be primarily focused on cost-saving. Linked to this, smaller firms are less likely to have training infrastructure (Storey & Greene, 2010). Coetzer *et al.* (2017), in a review of the literature, draw out some general conclusions about 'distinctive small business characteristics' for training, and point out some positive features of small business for training and learning, particularly for informal learning. Finally, there are reported to be significant differences among industry areas in the provision of training by firms (Cully, 2005; Lindorff, 2011).

Barriers and facilitating factors

In Australia, literature on barriers to training tends to focus on its relationship to the VET system. An Allen Consulting Group (2006) survey showed that employers identify the difficulties of accommodating training around work demands; insufficient government funding incentives; and issues with the training system, including a lack of flexibility and the unavailability of relevant training. The formal VET system, in particular, is often seen as too complex for employers (Cully, 2005) and may also be seen as providing training that is too general (Simons & Harris, 2014).

In the literature there is less focus on the facilitators of training than on the barriers to training. Mawer and Jackson (2005) found that organizations with a designated manager or supervisor with training qualifications had a greater understanding of the VET system and the available training options and therefore facilitated the provision of training. The availability of external funding has been shown to be important; this includes the range of financial incentives for employers of apprentices and, to a lesser extent, trainees, which are a type of shorter apprenticeship in Australia (Australian Apprenticeships 2014a, 2014b). Employers also benefit from government provision of funding to training providers.

Types of training

While most employers offer training, it is important to know what types of training are involved. One decision is whether to provide accredited (i.e. qualification-based) training from the VET system, or non-accredited training, for their employees. There are no definitive figures about the use of accredited (or 'nationally recognised') training. In 2013 the Australian Survey of Employer Use and Views of the VET system (NCVER, 2013) found that 27 per cent of employers reported having employees undertaking apprenticeships and traineeships, and 20 per cent reported the use of nationally recognised training outside these programs; but the overlap between these two groups is not available in the survey results. Cully (2005) found that 41 per cent of Australian employers provided 'structured' training in 2003, which, however, included both nationally recognised and unaccredited structured training. Interestingly, the Survey of Employer Use and Views (NCVER, 2013) reported a decrease in three percentage points in employers using apprenticeships and traineeships, and of three percentage points in other uses of nationally recognised training, over the 5-year period from 2005 to 2010.

Research has found that the reasons for employers using nationally recognised training (i.e. training from the VET system) include: meeting external regulations such as legislative or licensing requirements; fulfilling the provisions of industrial agreements; training for new technology, and providing specific job- or business-related skills for their organizations (Smith *et al.*, 2009). Firms gain significant benefits from providing such training. These include the ability to attract high-quality staff, the possibility of accessing government funding to defray the costs of training provision, and the confidence that workers are trained to a recognized standard (Smith *et al.*, 2005). Employers may themselves become registered as training providers, offering qualifications to their own workers; these are known as Enterprise RTOs [Registered Training Organisations] (Smith *et al.*, 2015).

The most common form of training provided by Australian employers is non-accredited training. This can range from highly structured to informal training. Billett

(2001c) has pointed out that both formal and informal learning are important within workplaces. Beginning with formal and structured learning, in-house most employers offer some form of formal induction training to provide new employees with knowledge of the organization, and knowledge required for their effective functioning (Smith, 1998, pp. 166–8). Larger organizations also often provide off-the-job ‘technical’ training in a ‘classroom’ setting (Jacobs, 2003). This type of training often occurs, for example, in call centres (Smith & Smith, 2008). But Australian Bureau of Statistics data, from surveys of individual people, show that individuals report on-the-job training as the most commonly occurring type of training (Richardson, 2004). Such training is tailored specifically to the skills and knowledge requirements of a job and is often carried out by co-workers (Jacobs, 2003). Companies may also receive training from the vendors of the equipment, technology and products purchased by them (Lengermann, 1996).

Informal learning (as opposed to training) can also be important (NCVER, 2003). In the Survey of Employer Use and Views data (NCVER, 2013), this was the only form of training reported to have increased between 2008 and 2013. The definition of informal learning is contested (Conlon, 2003) and is often defined by what it is not – for example, not qualification based and not structured (Richardson, 2004). As Marsick and Watkins (2001) state, learning may develop through everyday work, often due to a trigger or stimulus such as a new type of problem to be solved.

The earlier projects

As noted earlier, the project as a whole set out to update the understandings of employer training in Australian enterprises that had been gained in three previous studies undertaken by members of the project team. Two of the projects are particularly relevant to this paper. They generated explanatory models for employer training decisions, and these are briefly outlined below.

The project by Smith *et al.* (1995) investigated the factors in Australian firms that affected their decisions to invest in the training of their workers. The research was qualitative and involved 42 employer case studies, undertaken across a wide variety of industry areas, including the electronics, building and construction, food processing, finance and retail industries. The research showed a diversity of training arrangements in the firms studied, even among firms operating in the same industry. A model (Figure 1) was developed of how training decisions were taken in firms to explain the observed variety in training arrangements at the firm level. At the time of this project, the main impetus for training was reported to be competitive pressure.

Figure 1: Original, 1995, model of enterprise training (Smith *et al.*, 1995).

There were three main 'drivers': factors that influenced firms' decisions to train in the first place. These factors applied across all industries. They were:

- implementation of workplace change;
- new technology; and
- requirements of quality assurance processes.

However, the nature of the actual training arrangements in firms was determined by more complex set of 'moderators', which were specific to individual firms and industry areas: the enterprise size, the industry's training traditions, the occupational structure of the enterprise and its industrial relations arrangements. Together, the interaction of training drivers and training moderators led to particular training arrangements at the level of the individual firm; and accounted for the diversity of training observed in the research.

The second relevant study is the research project undertaken by Smith *et al.* (2005) used a national survey of employers and 12 case studies in enterprises. It examined the extent of provision of nationally recognised training from the VET sector in Australian enterprises, and the factors that influenced them to provide this type of training. The research showed that for employers the benefits included the provision of a national quality benchmark for the skills of trained workers, while the attraction for workers was the provision of a qualification in tight labour market conditions. The research showed a typical progression in the use of nationally recognised training (i.e. VET qualification-based training) by companies. Enterprises may have adopted this type of training to meet a 'mass training need' for a particular group of workers in the organization, usually production workers. The availability of government funding often played a role in initial decisions to engage with nationally recognised training. Some organizations then progressed to an 'extension stage', where they used nationally recognised training for training additional groups of workers. A small number of companies progressed to a final 'integration stage', where, not only did the enterprise use the training for multiple groups of workers, but also it built aspects of nationally recognised training into its human resources and other systems. For example, national competency standards were used in job descriptions and for recruitment, appraisal and promotion purposes. The project also found that the use of nationally recognised training tended to go hand in hand with an increase in other types of training. Many of the employer survey questions in the current project were taken or adapted from the survey used in this earlier project, to assist with comparison over time.

At the time of the research fieldwork for the current project, over 20 years had lapsed since the first project which had developed the model of enterprise training; and over 10 years had lapsed since the second project which had explained how companies used training from the VET system ('nationally recognised training'). No major national studies had been undertaken into company training and its interaction with VET. Yet the intervening years had involved major economic change, including the Global Financial Crisis and industry restructuring away from manufacturing; and also had involved major change in the VET system in Australia. Hence the current project therefore set out to establish a new and updated understanding of the ways in which employers train their workers in Australia.

Research methodology

The project as a whole included an employer survey, a survey of Registered Training Organisations (RTOs) – training providers offering VET qualifications – and a set of 'paired interviews' of employers and partnering RTOs. This paper does not report on the partnership findings of the project, but discusses only the employer survey.

The survey set out to establish a picture of the current training practices in Australian organizations, including their use of a range of external providers of training.¹ The

¹A section of the survey specifically on partnerships with Registered Training Organisations was not analysed for this paper, as that section was developed to enable comparison with the RTO survey on partnerships.

employer sample was obtained through a professional survey company, which accessed respondents with responsibility for the training function. The sample was national and was stratified by employer size to align with the 2005² survey. Responses were requested from the person with responsibility for the training function. Human research ethics committee approval was gained for the research.

A reference group consisting of 12 representatives of key stakeholder groups (e.g. peak employer associations and industry skills councils), and recommended experts in the area, was established. The group commented on the employer survey instruments and on the data collected, and was active in providing expert advice on the survey instrument and on the findings via teleconferences.

The employer survey included 46 questions, excluding the section on partnerships with RTOs, under the following sections:

- About your business/organization and its staff;
- About your business/organization's training structures and practices;
- Informal training in your business/organization;
- Formal and accredited training in your business/organization; and
- Barriers and facilitators for more training.

173 responses were received for the employer survey. The distribution of responses by firm size was:

- Micro (1–49 employees): 29%
- Small (50–99 employees): 10%
- Medium (100–499 employees): 26%
- Large (500+ employees): 25%.

By industry area, the largest industry areas were: Government/community/utilities: 21 per cent; retail 13 per cent; other services including hospitality 10 per cent; manufacturing 9 per cent; education 9 per cent; construction 8 per cent; and health 8 per cent.

In the first stage of the analyses for each survey, frequency tables with percentages and sample sizes were generated for the quantitative responses; and data from the qualitative questions were grouped and categorized. Next, the survey data were analysed by firm size, by industry area, and by whether the employers used nationally recognised training or not. The findings were then compared with those from the earlier comparator research projects and were validated via teleconferences with the project expert reference group.

There were some limitations associated with the survey: 173 employers is a very small proportion of the total number of employers in Australia. In 2015 there were 836,620 businesses in Australia which had employees (Australian Small Business and Family Enterprise Ombudsman, 2016); it would clearly be impossible to survey a substantial proportion of such a large number. However, the distribution of responses by industry sector corresponds closely with Australian Bureau of Statistics (ABS) data on the distribution of employment across the economy at the time of the survey.

Findings

This section reports the major findings from the survey for each of the three research questions addressed in this paper.

Why do employers train their workers?

For each of 10 provided options, derived from the literature and the 2005 survey, employers were asked to report whether the reasons for training were 'not important',

²The 2005 survey was actually carried out in 2003, but for simplicity it will be referred to as the '2005 survey' to align with the date of the project report.

‘of some importance’ or ‘very important’. The proportions of respondents rating the various reasons for training as ‘very important’ are shown in Table 1. Responses are divided into four ranges, and items within the same range are listed in descending order.

Table 1: Relative importance of reasons for training: ‘very important’ reasons

Proportion of respondents	Reason for training
50+%	Quality
45–50%	New technology; business strategy; licensing; workplace health and safety
40–45%	Non-licensing regulation; business/organization change
30–40%	Market pressures; skills not available on external labour market; demand from employees

Note: ‘Quality’ was not defined in the survey instrument, which could be seen as a limitation.

The reasons given for training were largely in line with the 2005 survey. However, new technology emerged as a more important driver of training than in the previous study, as did business strategy. This aligned with employers’ responses to questions about the changing business environment, where 85 per cent said that technology use had increased over the previous 5 years, and 75 per cent said that the business environment was more competitive. Regulatory requirements also emerged as more important than in the previous study. By employer size, large employers were more like to cite business strategy as the main driver. Small and micro employers were least likely to cite workplace health and safety as an important driver of training.

What training methods and what sources of training are used by employers?

Employers were asked if their provision of training had increased over the past 5 years.

- 15.3% said yes, greatly
- 40.5% said yes, somewhat, and
- 35% said it had remained about the same.

Analysis of these data were undertaken by size of employer, by industry area and by occupational structure of the company (proportion of full-time, part-time and casual workers). There were no significant differences among employers by the latter two variables, as in fact held true throughout the survey. However, size did make a difference, in this as in other questions. Medium-sized companies (100–499) were most likely to report a ‘great’ increase in training and small employers (50–99) were most likely to report only a ‘moderate’ increase in training. Micro employers (1–49) were most likely to indicate that it had remained the same.

Almost exactly half (50.6 per cent) of the respondents reported a dedicated training department or section; the likelihood increased with employer size. Employers were asked about a number of other features used to manage and implement training, taken from the previous study and from the literature. Table 2 shows some of the training structures and practices that were in place. In the table, practices for planning and evaluating training are shown separately from other structures and practices, as they form a natural grouping. The responses are arranged in prevalence order, by the percentages of the respondents to each item.

Table 2: Employers' training structures and practices – per cent of employers who offered each feature

	Training structures and practices	Practices to plan and evaluate training
More common	Workplace trainers/instructors 61.9	Evaluation of workers' satisfaction with training events 58.9
	Company training manuals 54.7	Formal development plans for staff 54.4
	Written training strategy 53.2	Evaluation of workers' learning outcomes 52.2
	Reimbursement of course fees 53.1	
	Training manager 51.9	
	Training budget 51.6	
Less common	In-house online learning system 43.9	Evaluation of impact for the organization 49.7
	Purchased online learning system 34.6	Training based on systematic needs analyses 47.5
	Training committee 28.3	Evaluation of workers' changed behaviour after training 44.9

The proportion of 'yes' responses to each item increased for each category of employer size. There was a fairly steady rate of increase up through the size categories, except in the following instances:

- Workplace instructors and formal development plans for staff were common for all except micro employers.
- Training committees were only common in medium and large employers.
- Evaluation of the impact of training for the business/organizations was almost as common in micro employers as for the other categories of employer size.

Respondents were also asked what type of formal training they gave to their employees (either in-house or via an external training provider), from a provided list, derived from the literature. The 'type' referred to the purposes of the training, ranging from induction training to management training. In descending order, and with percentages which included those who stated 'some' or 'a great deal' (as opposed to 'none' or 'a little'), the responses varied only over 20 percentage points (see Table 3). In other words, all of these types of training were provided by a majority of employers for their workers. In Table 3, the 'types' are divided into training that might be seen as mandatory (OH&S and licensing-related) or carried out of necessity (induction training); training that could be seen as 'optional' – such as supervisory and management training; and training which in some circumstances could be carried out of necessity or could be 'optional'.

Table 3: Occurrence of training for various purposes – per cent of employers who offered each

Mandatory training or training of necessity (%)	Could be 'of necessity' or 'optional' (%)	'Optional' training (%)
Induction training 67.1	Job-specific training 70.4	Supervisory training 54.3
OH&S training 66.4	Training in new technology 60.7	Management training 50.0
Training for licensing 59.6	Vendor training 51.3	

The table shows that, as might be expected, the firms undertook more mandatory training (OH&S, licensing) than other training that was to some extent optional. The prevalence of all types of training increased steadily through the employer size categories, with only one exception, which was training for licensing requirements.

Use of external providers of training

Respondents were asked about a number of types of external providers of training. Table 4 shows the types of provider that they had used in the current and previous calendar year (the survey was administered in November 2015), and the extent to which they were satisfied.

Table 4: Use of, and satisfaction with, external training providers

Type of provider	Had they used this type? (%)	Of those who used each, were they satisfied? (%)
Private training providers (not necessarily those providing formal VET)	73	80
Equipment/product suppliers	63	79
Employer/industry/professional associations	61	84
Universities	47	82
TAFE (the public VET system)	46	66

Twenty-eight employers (16.4 per cent) had not used any external providers at all during the specified time period. It was interesting that TAFE (the Technical and Further Education system – the public VET provider) was both the least-used training provider, and perceived as the least satisfactory.

An analysis by employer size showed that the proportion of employers purchasing training, that is, using external providers, increased steadily with employer size, except that large employers (500+ employees) purchased fewer from TAFE, from universities and from employer or professional associations than medium employers (100–499 employees). Micro employers (1–49 employees) represented most of those who had not used any external providers, and if they did were most likely to use private RTOs and equipment and product suppliers.

Employers were asked about the potential benefits of external training providers, using a menu of seven provided items identified from the literature and the researchers' previous research in enterprises. When the 'some benefit' or 'great deal of benefit' choices were added together for each item, the following results emerged:

- *Most commonly reported potential benefits:* opportunity for employees to have a wider viewpoint (most popular choice), 'providers' content expertise' and 'providers' training expertise'. Of this group of reasons, 'gaining a wider viewpoint' had more 'great deal of benefit' responses.
- *Commonly reported potential benefits:* 'availability of a range of qualifications', 'useful when only one or a few people require training', 'more resource-efficient than providing in-house'. Of this group of reasons, 'availability of a range of qualifications' had more 'great deal of benefit' responses.

The least-selected reason among the provided items was 'opportunity for employees to have time away to think'. Nevertheless 70 per cent of all responding employers saw this as a benefit. In other words, a substantial majority of employers recognized good reasons to use external training providers.

Employers' use of nationally recognised training (the formal VET system)

We were interested in how much use employers were making of the national vocational education and training (VET) system as part of the suite of training offered to their workers. In the survey we defined nationally recognised training (NRT) as follows: 'Training that is based on a qualification or accredited skill set. It is based on competency standards which are found in Training Packages'. In the Australian vocational education and training system, qualifications are contained within industry specific 'Training Packages'. Almost half (48.4 per cent) had used NRT in the current and previous calendar year (the survey was administered in November 2015). In most cases this was done through partnerships or ad hoc arrangements with public or private training providers, although in a small number of instances (n=3) the companies were 'enterprise RTOs' who had undergone accreditation processes to be able to award qualifications to their workers. Those firms which were most likely to use NRT were likely to:

- Have multiple sites;
- Have a diverse employment structure;
- Be affected by regulation and licensing;
- Be expanding their operations;
- Be in industries where technology use was increasing rapidly.

Analysis was carried out to determine which reasons for training (see Table 1) tended to lead to the use of NRT. The users of NRT were more likely to cite certain reasons for training as being 'very important' than non-users: non-licensing regulatory requirements, OH&S, business strategy and organizational change. While the proportions of users and non-users rating 'quality' as 'very important' were about the same, 'quality' was less often cited as 'the most important' driver by users of NRT than by users.

Qualitative responses were sought for reasons why firms either provided or purchased NRT. They were requested to provide up to three reasons. When responses were analysed by theme, it was found that they could be divided into reasons associated with the outcomes sought, and reasons associated with the presence of external facilitating factors. The main 'outcome reasons' were that NRT allowed systematization across sites, that it offered quality assurance, that it provided upskilling and career development and that it allowed for multi-skilling for expansion. The main 'external facilitating factors' were the availability of public funding, the quality and flexibility of training providers and the availability of reliable information relating to the training market. In other words, firms were seeking certain outcomes from nationally recognised training, but the decisions about providing or purchasing it were mediated by the 'facilitating factors'.

Analysis against other parts of the survey also showed that users of NRT, compared with non-users, were more likely to have formal training structures and to plan and evaluate training. They were more likely to recognize the benefits of using external training and to purchase training from other sources apart from formal VET providers, such as equipment suppliers and employer associations; but were also more likely to provide informal training opportunities. They were more likely than companies who did not provide NRT to mount non-mandatory training activities such as induction and supervisory training. In other words, they were 'good' employers in training terms.

Informal training and learning

Informal training was reported to be an important part of overall training effort. In the survey, informal training was defined as follows: 'Informal training means training which is not structured into events or a formal program, is not directly related to a qualification or licence, and the provision of which is normally closely linked to carrying out of workplace duties'. For just over one-quarter (28.0 per cent) of firms,

informal training was stated to be very important (greater than the formal training provided); and for just over half (54.8 per cent), informal training was about half of the overall training effort. A list of types of informal training, based on the literature, was provided. The list below indicates the proportions of employers saying that these types of training were offered ‘sometimes’ or ‘a great deal’. Each type of informal training was mentioned by at last half of the sample, as the list shows and each type was more commonly offered by large companies. In more detail:

- supervision to ensure that employees were guided through their job role: 64.7%;
- structured system for letting staff perform tasks that went beyond their strict job roles: 59.9%;
- provided mentors or buddies: 59.4%;
- structuring of work so that inexperienced people could progress to more complex activities: 58.3%;
- opportunities for workers to spend time learning through watching others: 57.7%;
- regular meetings (at least monthly) of groups of employees that incorporated learning: 53.2%; and
- development activities for supervisors in how to train via informal training: 50.0%.

As there is so little literature on informal training, the opportunity was taken to gain more insight into the methods used. Respondents were asked to nominate a common job role in their organization and to report what methods of informal training were used for that role. We then aggregated answers for identical or very similar job roles to provide a list of methods used for that job role. Three examples are given in Table 5.

It will be noted that some of these training methods would not normally be regarded as informal training. Rather than removing the responses that seemed inappropriate, it was decided to retain them to illustrate what could be seen as imperfect understandings of the term.

Table 5: Types of informal training respondents described for common jobs in their organization; three examples

Job	Methods of informal training
Administration	<ul style="list-style-type: none"> - Mentoring - Just trained by another staff member - Buddy system/observation and repeat - Promotional opportunities/acting in other capacities - Tutorial
Call centre operator	<ul style="list-style-type: none"> - Courses and in house - Trained by senior staff members - Initial 6-week induction, on-the-job training and coaching, online modules and knowledge system - On-the-job training - Reading on Wikipedia - Seminar - Side-by-side coaching with a manager
Manual labourer	<ul style="list-style-type: none"> - On-the-job training - Books - Online - Site induction for hazards and industry ‘white card’, so they are informed of general expectations on different sites - Previous skills - Orientation

What barriers to training are reported?

Sixty per cent of respondents said that they would have liked to have provided more training over the previous 12 months than they did. They were asked to evaluate the applicability of a range of suggested reasons for not providing more training. These questions were adapted from a list used in a major UK survey (UKCES, 2011). When asked to select the *one* most important reason, the following emerged as the top three:

- Financial constraints: 38.0%
- Employees are generally too busy to be trained: 19.0%
- Managers do not have time to organize training: 13.9%.

The numbers were too small to draw firm conclusions about variations by employer size, except for a very clear finding that large and medium employers were more likely (41.9 per cent and 55.6 per cent) to cite lack of funds than smaller employers.

Discussion

In this section, the findings of the survey are discussed with relation to existing literature, and a new model of employer training is proposed.

The survey findings confirm much of the existing literature, with the key points of confirmation and difference described below. The findings on the *amount of training* are generally in line with existing data (Cully, 2005; NCVER, 2013), while the identified *drivers for training* are generally in line with the literature – primarily external factors, including competitive business environment, performance and regulatory requirements. However, ‘quality’ emerged as clearly the most important driver, which is not highlighted in much of the existing literature.

In informal training, the findings confirm some existing literature; ‘affordances’ (Billett, 2001a) such as structuring work activities to facilitate learning, or allowing staff to attempt tasks not within their job roles, were as common as more conventional methods, such as the use of mentors or buddies. The qualitative responses on informal training (even though some of them might be viewed as inappropriate) mentioned methods beyond those commonly mentioned in the literature, such as ‘observation and repeat’ and ‘creation of teams inclusive of a range of experience and subject expertise’. The project thus extends the existing literature. The latter literature is primarily confined to small-scale qualitative research; the use of employers’ own words in this project to describe what they are doing via a survey adds a new dimension to the literature on informal training, which could usefully be extended.

The barriers for training were in line with the existing literature: financial constraints and scarce time resources for trainers and trainees alike. However, companies report doing more training than they did five years ago. This is at odds with other literature (e.g. in the UK context, Keep, 2014) claiming that employers’ investment in training has reduced.

The model of employer training devised by Smith *et al.* in 1995 was adapted as a result of the findings from the employer survey. Figure 1 showed the original model, and Figure 2 (below) shows the adapted model which reflects the findings reported in this paper. It should be noted that the changes to the model are informed by analysis of responses to the many qualitative questions in the survey, and ‘other’ responses to quantitative questions, most of which cannot be reported in this paper.

Notably, core elements of the model remain the same. However, there are several changes by comparison with the 1995 model. ‘Business strategy’ replaces ‘strategic response’ as the primary driver, implying a less reactive strategic direction. The new items have been bolded in Figure 2. Several items have been deleted as follows:

- Training drivers: workplace change.
- Training moderators: industry training traditions, occupational structure, industrial relations and management attitudes.
- Training arrangements: technical vs behavioural, generic vs specific.

Figure 2: New model of employer training.

The changes indicate shifts in workplaces and in VET policy and practice alike. Workplace change, of itself, no longer appears to be a key driver for training, as was depicted in the original model. Rather, continuous workplace change has perhaps simply become part of the routine in Australian firms in recent years in response to the ever-increasing competitiveness of the business environment. As a result, training to cope with change is an ongoing necessity rather than a specific response to a one-off program of change. A preoccupation in the 1990s with generic skills appears to have passed, as no employer mentioned generic skills although they were invited to provide 'other' responses.

The new, bolded items show that regulatory requirements are becoming more important. The new model also shows that the nature and content of training is of more direct interest and importance to employers, as are funding issues, with employers' knowledge of VET seeming to have increased.

It is apparent that there have been some changes in enterprise training over a 20-year period.

Companies are more alert to the nature and content of the training they provide. They would like to do more training. They have good intentions but time constraints mean they are not always able to implement these. They are more interested than previously in the availability of government funding, which is consistent with an expansion of the formal VET system in Australia over the period 1995–2015. As funding relates only to formal VET training, it follows that the distinction between accredited and non-accredited training becomes an important one, reflected in its addition to the model.

Conclusions and policy and practice implications

While the research confirmed some existing explanations for employer training behaviour, some new knowledge emerged. For example, training was shown to increase with firm size, which has been well known, but medium sized employers seem to be increasing their training activity. Regulatory requirements have emerged as a major driver for training; and training is more closely linked to business strategy. The lack of difference in training provision by industry area is an important new finding that challenges the existing literature. Similarly, the lack of difference by occupational structure (the proportion of workers on different types of employment contract) of the firm has implications for the future, where non-standard forms of employment are likely to become more common.

There are implications for future research. The questions utilized to examine informal training practices could be used in other research, and the examples provided in this paper from open-ended questions about informal training for a specific job role provide some additional insights into methods of informal training. The role of human resource development (HRD) staff in organizations requires more research attention, and additional attention by firms. The roles of HRD staff are increasingly complex because of the difficulties associated with inserting training time into busy workplaces, but they also appear to be undertaking an expanded and more proactive role.

In policy, the fact that employers want to do more training but find barriers to achieving this could be addressed. Financial constraints will always be present and have been addressed through various programs in Australia such as the National Workforce Development Fund in Australia, which provided large amounts of funding for projects through a submission process.³ However, it has been claimed, based on European schemes (Müller & Behringer, 2012) that such subsidies act as ‘deadweight’ – governments may be paying firms to carry out training that they would have provided in any case. But if direct financial support is deemed inappropriate, direct and practical assistance in streamlining the planning and provision of training. Could help to address the reported lack of time for training. This could be characterized as showing employers how to create a ‘workplace curriculum’ (Billett, 2001b). Currently, public attention to training for workers focuses mainly on the provision of qualifications to workers, whereas other forms of training are also important, as illustrated by the survey responses.

However, it is clear that nationally recognised training is viewed as a public good by most employers, used by half, and offers many advantages for employers. The provision of qualifications to workers engenders benefit beyond the individual company, as qualifications are transferable across the economy, countering the ‘deadweight’ argument raised by Müller and Behringer (2012). Moreover, this research has shown that nationally recognised training continues to lead to an increase in overall (non-funded) training in organizations, as it did in the 2005 project on which this research was partly based, and therefore it seems appropriate that its use by companies should continue to be supported and encouraged by governments.

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