



Service IQ
SMARTER PEOPLE FOR
SMARTER BUSINESSES

**LLN
Action Plan
2017**

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Overview

ServiceIQ is the industry training organisation for the aviation, hospitality, retail and retail supply chain, travel, tourism and museums sectors – the service sector. We are recognised by government to set skill standards in the service sector and to arrange training in the workplace.

ServiceIQ is owned by industry. We work to empower and motivate people to provide great service to help businesses remain competitive, and for New Zealand to be internationally recognised as a great place to live or visit.

ServiceIQ advocates on behalf of industry for workforce development, and provides a national perspective and leadership for the service sector.

Service Sector Literacy, Language and Numeracy (LLN) Plan

The LLN Plan is underpinned by one of the ServiceIQ six workforce development priorities; **“Increase productivity by developing core skills”**.

ServiceIQ’s Service Sector Workforce Development Plan was launched in 2015 following extensive industry consultation over a two-year period. The Plan, articulates a shared vision for the sector to respond to the challenges and changes it is facing, and a framework for workforce development.

The framework encapsulates the three primary levers a sector can use to develop the skills of the workforce. These are: attraction and retention, skill development, and skill utilisation. This framework has six priority actions and these underpin our workforce development activities. The priority actions are:

- ▶ Attract and retain people with the right attitude and aptitude.
- ▶ Increase the number of able school leavers transitioning into the sector.
- ▶ Increase access to and engagement with training.
- ▶ Develop and maintain high quality qualifications and programmes that meet the needs of industry.
- ▶ **Increase productivity by developing core skills.**
- ▶ Improve business and management capability.

These priorities have been chosen because they are the most likely to have a significant impact on increasing business productivity and growth, and closely align to the primary levers.

Core Skills Action

The service sector recognises that if it is to achieve “increase productivity by developing core skills”, ServiceIQ’s LLN Plan needs an approach specifically designed to meet the needs of all trainees and apprentices and the businesses they work for.



Government and industry direction for Literacy, Language and Numeracy

ServiceIQ has close ties with the key education agencies: The Ministry of Education, the Tertiary Education Commission (TEC) and the New Zealand Qualifications Authority (NZQA).

1. The Government's **Tertiary Education Strategy (TES) 2014–19**, the TEC's publications relating to improving core skills (2013 and 2015), has influenced the development of ServiceIQ's LLN Action Plan.

From the Tertiary Education Strategy 2014–19:

“Literacy and numeracy skills are crucial for building a competitive, skilled and productive workforce. However, internationally benchmarked research (OECD, 2006) shows that more than a million New Zealand adults have less than optimal literacy skills (43 percent) and numeracy skills (51 percent) for a knowledge-based economy. New Zealand's low levels of literacy and numeracy have been identified as contributing to our relatively low productivity.

Improving adult literacy and numeracy underpins several of the Government's Better Public Services results and is Priority 4 of the TES.”

2. The **Supplementary Plan Guidance for Industry Training Organisations**, TEC March 2017 includes three challenges for ITOs. Amongst these are raising basic skill levels and fostering innovation. LLN can have some influence on both by:
 - ▶ *working with industry to upskill lower skilled workers, particularly in raising literacy and numeracy levels*
 - ▶ *fostering and raising demand for skills which support innovation including basic academic skills such as reading, numeracy and digital literacy, and 'soft' social skills including motivation, communication, and teamwork*
 - ▶ *helping businesses develop strategies to recognise, and recruit and train for skills that support productivity and innovation*
 - ▶ *expanding their network of employers and fostering new and innovative partnerships with stakeholders*
 - ▶ *providing advice to businesses on how to translate skills into productive activity.*

There is a clear expectation that ITOs champion the benefits of addressing needs and help employers to recognise them. We can educate and enable employers to access specialist support if required.¹

¹ Supplementary Plan Guidance for Industry Training Organisations – March 2017

3. Productivity Commission Report 2017

ServiceIQ arranges workplace training in the service sector. Due to the nature of these sectors, many trainees are not long out of school. School did not always prepare these young people for the world of work and many come with low LLN skills.

From page 255 of the Report: Qualifications are an imperfect proxy for skills but learning can be assessed directly:

- ▶ *Direct measurement of skills shows that qualifications are an imperfect proxy for skills.*
- ▶ *Research commissioned by TEC in 2014 found that approximately 50% of school and tertiary students with NCEA level 1, and approximately 40% with NCEA level 2, did not meet a widely accepted minimum benchmark for adult literacy and numeracy. This was despite the fact they had acquired all the requisite credits in literacy and numeracy either at school or in the course of their tertiary study (Thomas et al., 2014a; 2014b).*

4. ServiceIQ Strategic and Business Plan (Goals)

Critical Success Factor 1: “Right Skills for Industry”.

Goal: “As an ITO and Standards Setting Body, we need to understand in depth the skill needs of industry both now and in the future. Workforce development that links the right qualifications, standards, training programmes with an optimum approach to arranging training with industry is essential to success.”

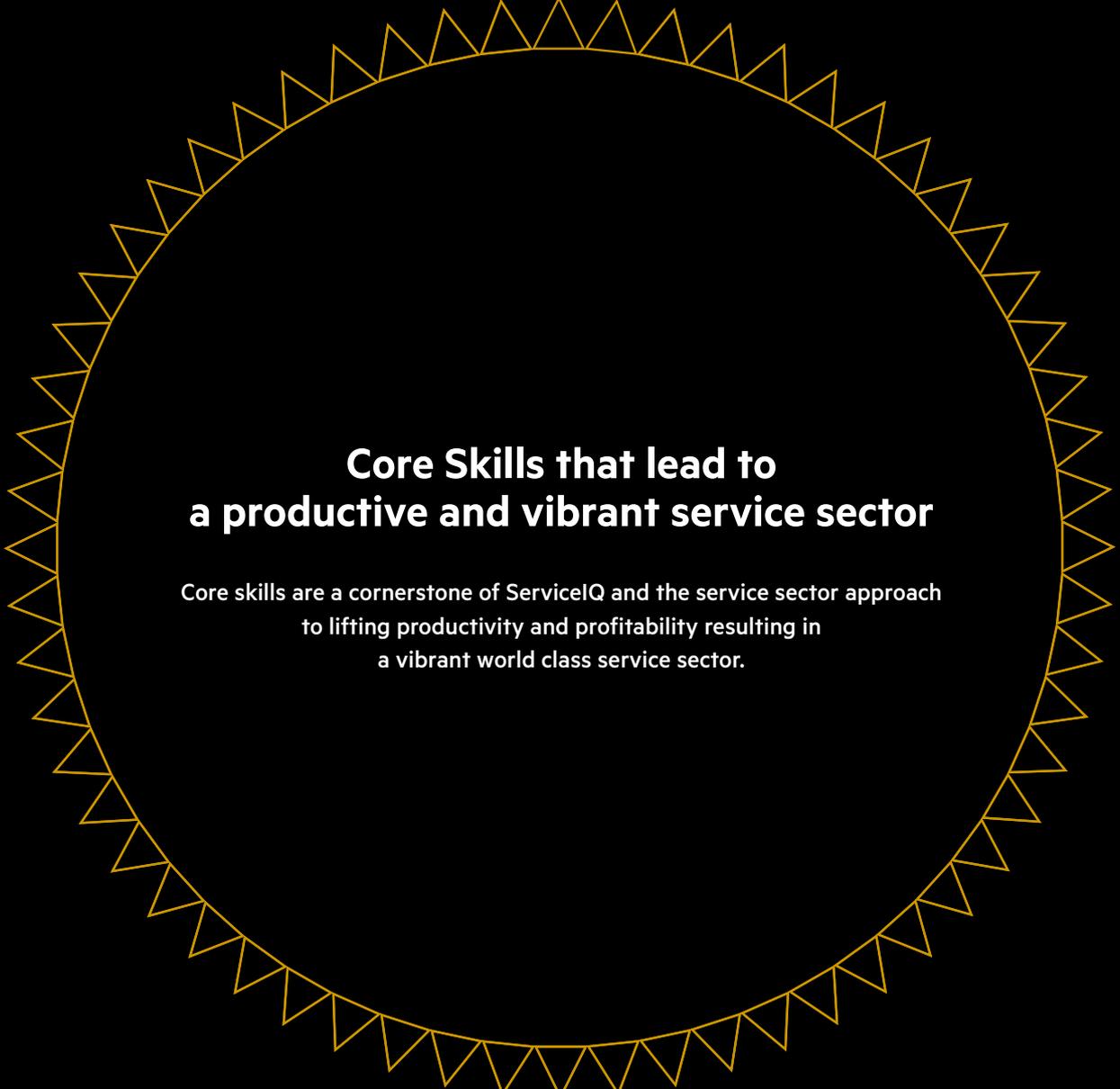
Under this goal, ServiceIQ aims to support industry in creating an environment whereby workforce core skills can develop and flourish.

5. Industry direction through the Industry Training Federation (ITF)

The ITF manages the **SkillsHighway**, www.skillshighway.govt.nz, a government website for employers that has information and resources related to workplace literacy and numeracy. ITOs contribute towards this in various ways (e.g. case studies) and can access the information, resources and funding streams with or for their employer contacts.



A vision for learner success in the service sector



Core Skills that lead to a productive and vibrant service sector

Core skills are a cornerstone of ServiceIQ and the service sector approach to lifting productivity and profitability resulting in a vibrant world class service sector.

Factors impacting on the uptake of LLN support for workers in the service sector

Work and educational readiness

Some employers' report that people moving into entry-level roles are not prepared for work due to a variety of life circumstances. Employers report that these first-time employees can lack core skills such as confidence, self-motivation and communication (LLN).

It is crucial therefore that these entry-level employees are equipped with sufficient core skills to enable them to enter the industry and 'learn on the job'.

Key factors impacting LLN uptake

1. Employers understand how core skills impact on the businesses' bottom line. Building better business through improved core skills usually equates to a higher performing workforce and;
 - a) better team performance
 - b) greater participation at work
 - c) improved capacity to cope with change
 - d) increased achievement in workplace training challenges.
2. Employers understand that by improving core skills, they will be increasing customer satisfaction. When staff are skilled and competent, this usually leads to factors such as;
 - a) fewer customer complaints
 - b) less re-work
 - c) increased customer loyalty
 - d) greater service quality.
3. Employers understand the implications of profitability. When employees are better equipped, have more confidence and higher-level skills, they produce an improved quality of work, and;
 - a) increased productivity
 - b) reduced errors and wastage
 - c) lower absenteeism
 - d) increased compliance with health and safety etc.

The role of ServiceIQ in the uptake of workplace LLN skills is to:

- ▶ provide education and information
- ▶ form strategic alliances
- ▶ develop the right tools for industry
- ▶ provide support and intervention expertise
- ▶ have an extensive staff network willing to engage.

Critical success factors for learners

The critical success factors for learners working and training in any industry includes competency and skill in the literacy, language and numeracy (LLN) related to the industry.

In the service industries, the related LLN skills invariably include competency in speaking and listening as well as reading and writing and it is imperative workers in these industries are offered opportunities to learn, improve and practice.

ServiceIQ LLN offering

Our approach to an employer is based on the size and scale of the business but in general may involve conducting a Literacy Job Profile for a key job role. (From this, a resource can be developed whereby a trainee can assess their own competencies to do a job.)

We also provide opportunity and access to the Adult Assessment Tool, individual results analyses for trainees, overall company group trend results and coordination of intervention/support for both trainees and businesses.

Overall Critical Success Factor Statement:

If literacy, language and numeracy learning, are components of the related vocational training, the opportunity to do better will be more available to those learners with identified need.

Our goals therefore include: diagnostic assessment at NQF levels 1 and 2; an overall business needs analysis and literacy, language and numeracy support and intervention where required.

Figure 1: ServiceIQ's approach to LLN

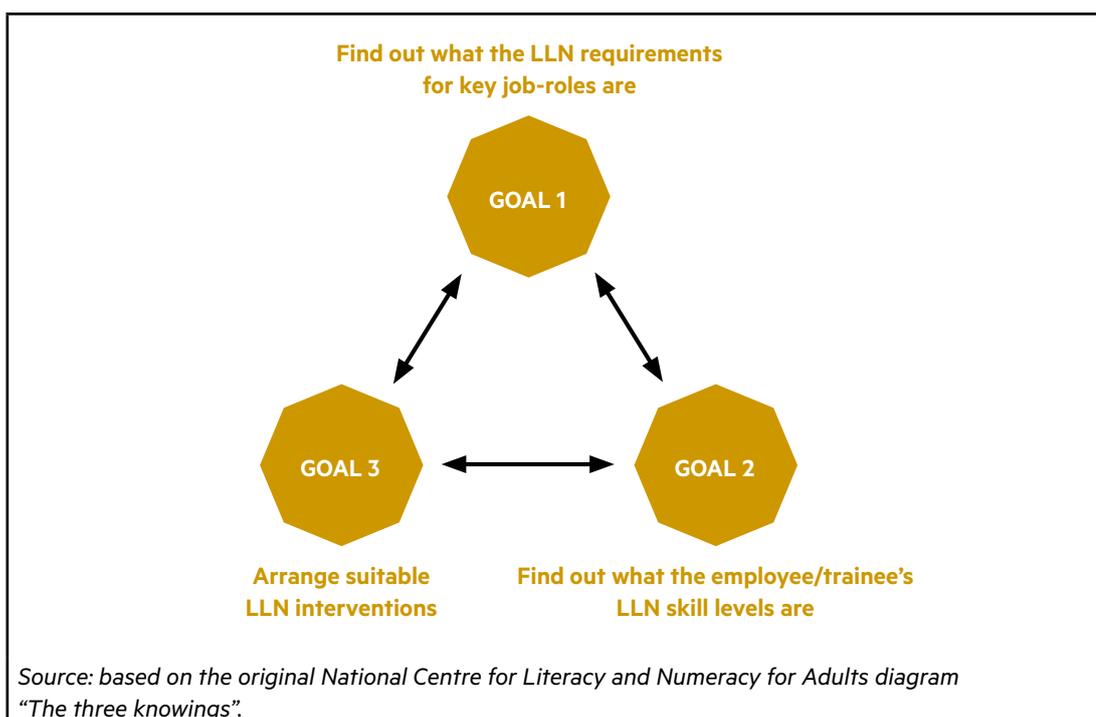
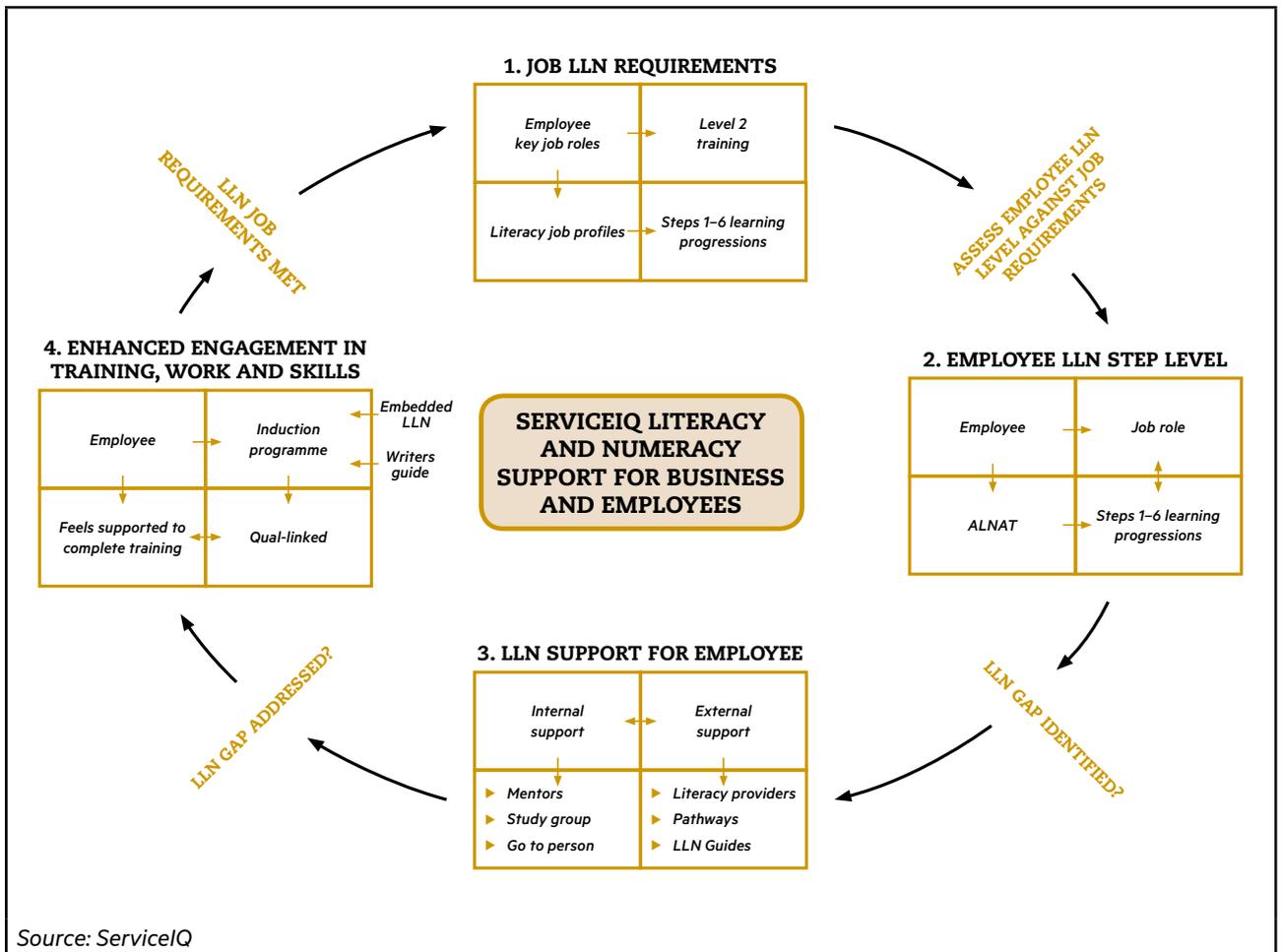


Figure 2: A model demonstrating support for workplace learners



Targeting support

Both diagrams above, Goal 2 (Fig 1) and Step 2 (Fig 2) note some form of LLN assessment. For this to occur, ServiceIQ needs to collaborate within, and work with key employers. For example, the Industry and Strategic Engagement teams would together develop LLN Engagement Models (including diagnostic assessment) that work for a range of employers.

Included in the ServiceIQ offering to employers is the opportunity to assess using the Adult Assessment Tool. Not only will this identify for individual trainees where specific support can be offered but will also identify for employers, the extent to where workforce skills could be strengthened, and thus improve on their bottom lines.

LLN Action Plan

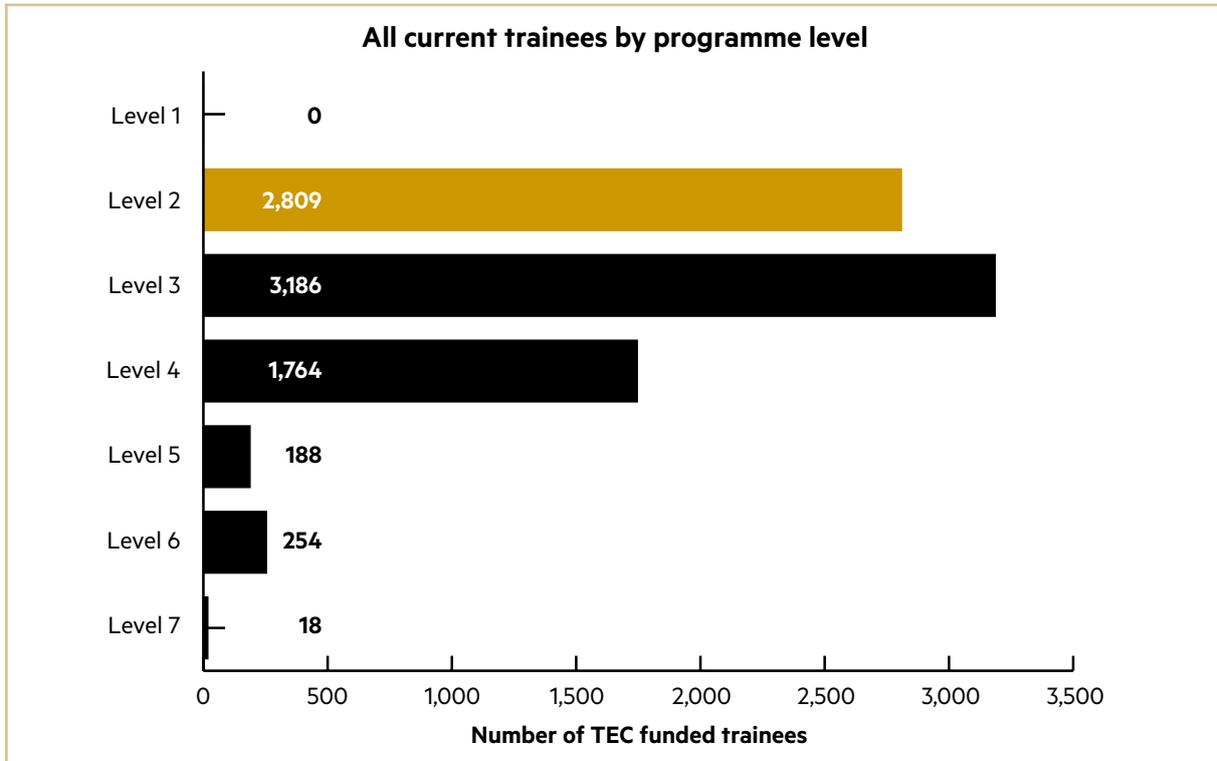
Supporting and developing learners in the service sector

Learner achievement is central to what ServiceIQ does. ServiceIQ is especially motivated by trainees completing qualifications and progressing into higher-level training, and it is important that ServiceIQ and businesses respond to the needs of its workforce and the core skills of its employees.

#	Action	Description	Timeframe
1.1	LLN Focus on Employer Engagement	Ensure all key employers have information and knowledge about how to identify LLN needs against the demands of specific job roles and about appropriate LLN support available.	2017-2018
1.2	LLN Focus on ServiceIQ staff Training	Ensure all staff are knowledgeable about and understand the value of LLN for foundation and higher level trainees	Ongoing
1.3	LLN Focus on Level 2 Training	As a core skills area, all trainees at Level 2 to be LLN assessed and those in need, offered LLN support.	September 2017 – ongoing
1.4	LLN Focus on exploring options for a ServiceIQ mentor-training and support programme nation-wide.	ServiceIQ to look at the viability of initiating a national mentor-training programme.	November 2017-2018

Appendices

Current trainees by level and sector, as at May 2017



Level 2 trainees (2,809) make up **34%** of all other trainees.

Of the **2,809 Level 2** trainees, **2,769** are in **Retail and Retail supply chain**.
Of the **2,769**, **90%** are with **8 key employers**.

