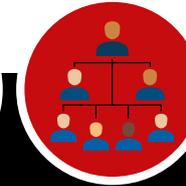


**Service IQ**

SMARTER PEOPLE FOR  
SMARTER BUSINESSES



# SERVICE SECTOR WORKFORCE DEVELOPMENT PLAN

2017

*“The service industry is crucial to New Zealand. It employs more than a quarter of our workers and is one of our largest export earners.*

*Business success depends upon people and nowhere is this truer than in the service industry; domestic consumers and international visitors will choose to spend their money where they experience consistently high levels of customer service.*

*This Workforce Development Plan will help to ensure that the service industry has workers with the skills needed to achieve business success and make New Zealand’s service industry truly world-class.”*

*– Dean Minchington, Chief Executive Officer, ServiceIQ*

ServiceIQ is the Industry Training Organisation (ITO) for the aviation, hospitality, retail and retail supply chain, travel, tourism and museum sectors – the service sector. 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’s vision is to provide a world class service industry through qualified people. Industry training is essential to improving productivity and profitability in the service sector, by producing performance improvements and contributing to a stronger economy.

To achieve this there needs to be an understanding of the current situation of the service sector, the economy it is operating within and what the future looks like. In this dynamic environment, it is vital that there is an understanding of likely changes in the sector’s workforce and its customers. This allows the service sector to plan for the future and ensure people are equipped with the right skills and knowledge for ongoing business success.

The service sector is crucial to the New Zealand economy, employing **599,699 people** which represents **25% of all workers** in New Zealand. The number of people working in the sector has grown every year since 2011 and this growth is forecast to continue. There are **105,596** service sector businesses in New Zealand, which is **19%** of all businesses. These businesses employ an average of **5.7 people**.

The sector contributes almost \$40 billion per year to New Zealand’s Gross Domestic Product (GDP), which is **18% of New Zealand’s total GDP**.

The service sector (tourism in particular), is expected to continue growing both in GDP and employment; therefore, people and skills challenges need to be anticipated and addressed to meet future requirements.

Workforce development brings together employers, individuals and the community. Its purpose is to identify, understand and meet the employer demand for skills; and to address the need for individuals to gain the desired knowledge, skills and attitude for employment and better productivity.

It is a people-centric approach to achieving strategic business objectives. The service sector is competing for the best and brightest people, and it needs to attract the right people into the sector. Businesses need to develop and retain staff, using their skills in the most effective way possible. Effective management and leadership skills are fundamental to achieving success.

The service sector workforce is operating in an environment of rapid change, with new technology, innovations, globalisation, changing demographics and work patterns all having an impact. The Service Sector Workforce Development Plan 2017 articulates a shared vision for the service sector to respond to the challenges and changes it is facing, and a framework for workforce development.

The Service Sector Workforce Development Plan 2017 discusses current and future trends, strategies to achieve key priorities and progress over the past two years.

The Service Sector Workforce Development Plan 2017 must be considered in the context of wider skills and workforce development initiatives. The New Zealand Government has made early commitments that will have an impact both on the service sector and industry training, but exactly how this will impact is still unfolding. These commitments, and those that may follow, alongside existing government strategies, will shape the current government, education and business environment, so it is important that the plan aligns with them.

*The New Zealand Government has made early commitments that will have an impact both on the service sector and industry training*

## Government commitments<sup>1</sup>

### Regional economic development

The first most significant commitment in the coalition agreement is on regional economic development and growing the wealth of the regions.

### Workforce

The Government has also committed to raise the minimum wage to \$20 p/h by 2020.

Increased wages may help with attracting more people, but conversely, it may also place further pressure on business profitability.

The Skilled Migrant Category underwent considerable change in 2017<sup>2</sup>, and while some of these changes may evolve under the new government, the intent remains the same – to put Kiwis into work and training. These immigration changes, and any additional changes under the Government, will likely lead to an even greater need for New Zealand service sector businesses to train and upskill their staff.

*Initiatives that move people off benefits and into work will continue and be extended*

Initiatives that move people off benefits and into work will continue and be extended. The government will also be looking at other ways it can encourage on-job training.

*The Government has also committed to raise the minimum wage to \$20 p/h by 2020*

### Study to work transitions

The government is focused on further opening access to tertiary education through its fees free policy and on better preparing young people for work while still in school through career advice and work experience.

<sup>1</sup> [www.dpmc.govt.nz/sites/default/files/2017-12/coc-17-10.pdf](http://www.dpmc.govt.nz/sites/default/files/2017-12/coc-17-10.pdf)

<sup>2</sup> [www.immigration.govt.nz/about-us/media-centre/news-notifications/skilled-migrant-category-changes](http://www.immigration.govt.nz/about-us/media-centre/news-notifications/skilled-migrant-category-changes)

## Government strategies

The Better Public Service Targets, particularly the target of 60% of 25-34 year olds having an advanced trade qualification, diploma or degree by 2018, the Business Growth Agenda goal to build safe and skilled workplaces, and the Tertiary Education Strategy 2014-2019 put the focus on increasing New Zealand's prosperity through a skilled, flexible and innovative workforce. The Productivity Commission Report released in March 2017 found that New Zealand's productivity was low and recommended actions to better align education and training with the needs of businesses and create more opportunities for upskilling people already in work.

## Global employment and skills outlook

The OECD's Skills Outlook 2017 and Employment Outlook 2017 reiterates the need for the outcomes students are reaching in schools to better align with the skill needs of industry. OECD recommends actions for building strong on-job training, and policies that foster closer collaboration between the employers, businesses and industry, tertiary education providers and organisations, schools, and research institutions. Flexible on-job training opportunities to assist people to combine work and training, and increasing access to formal education for people already in work, are essential to achieving this.

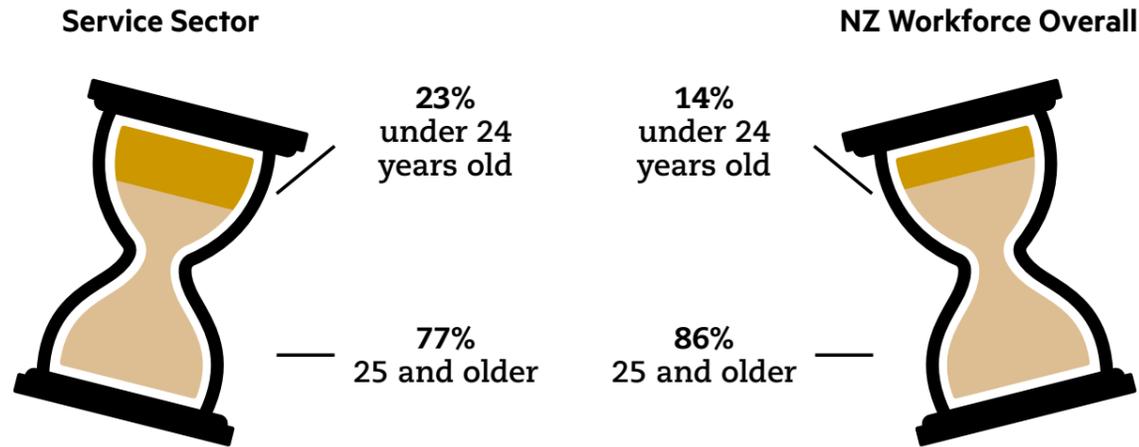


*“[Our] 2017 Employment Outlook shows that governments should focus upon enabling people to thrive in a rapidly changing labour market. And policies must be able to anticipate changes, not simply respond to them. In this context, while it is more important than ever to build the right skills for those in education, it is also crucial to make sure all workers have opportunities to upskill and reskill themselves throughout their working lives. Countries should also better assess changing skills needs, adapt curricula and guide students and workers towards choices that give easier access to new job opportunities. And they must pay close attention to adult education and training given today's highly dynamic labour market.*

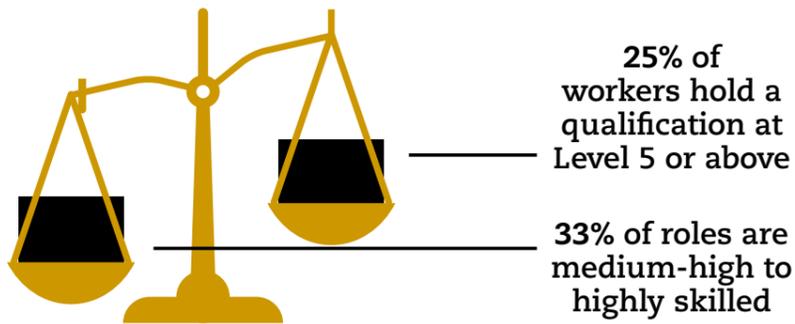
*Getting labour market policies right and providing workers with the opportunities and the skills for today's and tomorrow's jobs is undoubtedly one of the most important goals that we should aim for in our agendas.”*

– Angel Gurría OECD Secretary General,  
Launch of the 2017 Employment Outlook – Berlin, Germany, 13 June 2017

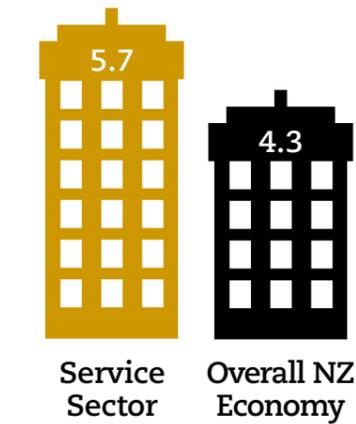
Age\*



Skilled roles and qualifications held\*



Average number of filled jobs per business

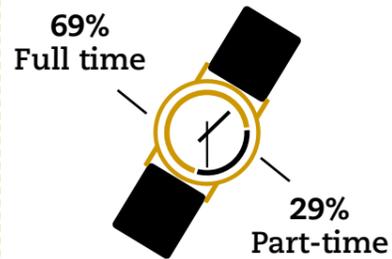


Ethnicity\*



\*Demographic characteristics sourced from the 2013 population census

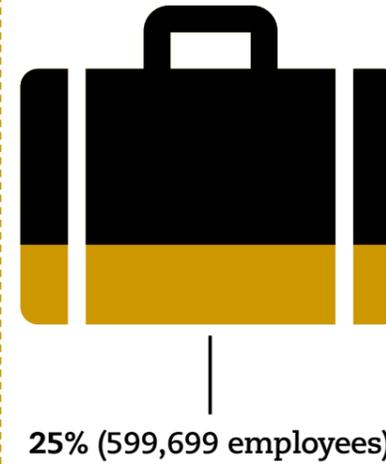
Hours worked



NZ GDP contribution



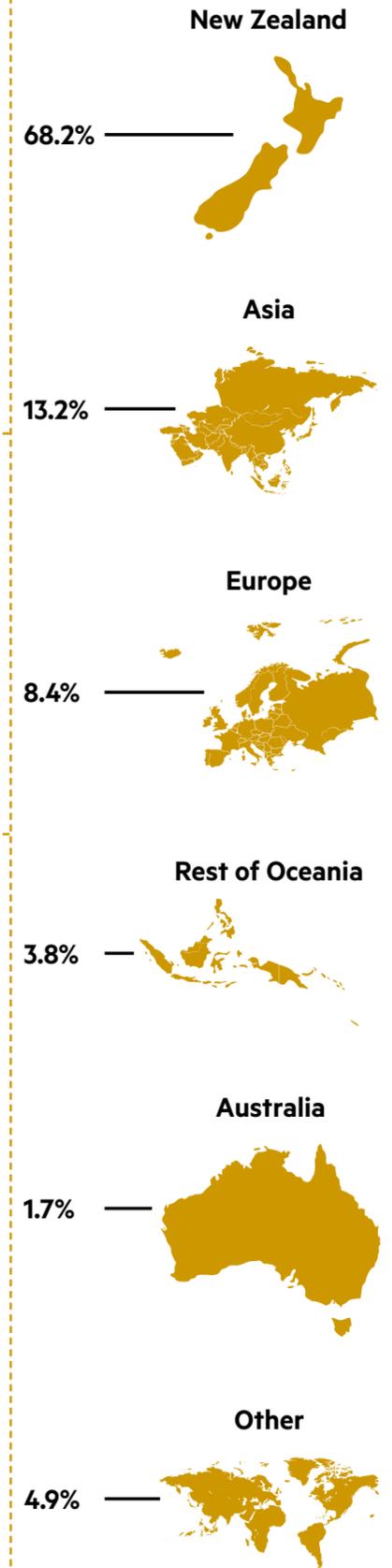
Percent of NZ Workforce



Gender



Country/Region of Birth\*



Businesses

105,596 Businesses, or 19% of NZ Businesses overall



Employment by region

Northland	15,074
Auckland	234,878
Waikato	46,369
Bay of Plenty	32,445
Gisborne	4,097
Hawke's Bay	16,658
Taranaki	12,150
Manawatū-Whanganui	25,738
Wellington	62,345
Nelson-Marlborough-Tasman-West Coast	23,964
Canterbury	81,496
Otago-Southland	44,484
<b>Total New Zealand</b>	<b>599,699</b>

Understanding the changes and trends affecting the service sector is critical when considering how best to develop the workforce to meet future challenges. The changing characteristics of workers, expectations of customers and technological advancements in the workplace will have a profound effect over the next 5-10 years.

### Ageing workforce

The New Zealand workforce is ageing, in line with the global trend seen in developed societies. The ageing workforce is a result of fewer young people entering the workforce and more workers remaining in employment past traditional retirement age. This has particular significance in the service sector as it has historically relied on young people to fill many roles. 23% of the service sector is under 25 years old compared to 14% of the overall national workforce.

The number of young people (15 to 19 years old) employed in the sector decreased by over 19,000 between 2006 and 2013 (from 74,684 to 55,631); this is despite an overall increase in the number of people employed in the sector. Over the same six-year period the number of people employed in the sector aged 65 years and older increased by almost 12,000, from 14,396 to 26,376.

*Between 2006 and 2013 the number employed aged 15-24 years old decreased by 26%, while those aged 65 years and older increased by 83%*

The ageing workforce has implications around hiring practices, workplace practices, productivity, working conditions and pay expectations.



### More women in employment

Women make up an increasingly large part of the workforce in New Zealand and are participating in the labour market more than ever before. Although females still have a lower labour force participation than males, are more likely to be underemployed, under-utilised or not in education, employment or training, the upward trend of the female workforce is likely to continue.

In the service sector, women already have greater representation than men (51% of the service sector workforce is female). Female representation varies across the service sectors from as high as 67% of the travel workforce to 29% of the aviation workforce.

According to the New Zealand Labour Market Dashboard, women are more likely to be employed in part-time roles than men, and the service sector has a higher percentage of part-time roles than the overall economy. In 2013, 29% of the service sector workforce worked less than 30 hours per week compared to 23% of the overall workforce.

#### Share of employment 2016

Sector	Female	Male
Aviation	29%	71%
Museums	57%	43%
Quick Service Restaurants	54%	46%
Travel	67%	33%
Accommodation	61%	39%
Tourism	56%	44%
Cafés, Bars and Restaurants	56%	44%
Catering	63%	37%
Clubs	60%	40%
Retail and Retail Supply Chain	49%	51%
<b>Overall</b>	<b>51%</b>	<b>49%</b>

### Desire for flexible work

Changing workforce demographics (such as the increasing number of women in the workforce) and changing social views have led to an increased desire for flexible work hours and scheduling. Employees who need to balance work with caregiver responsibilities, study or other commitments may look for roles with reduced hours or variable schedules. Employees remaining in work beyond retirement age may also want to reduce their working hours.

Sectors and businesses that enable people to work in a variety of ways can reap the benefits from workers who might otherwise disengage or choose to work in another business or sector.

### Increasing ethnic diversity

The ethnic demographic of the New Zealand population is changing, with Māori, Pasifika and Asian ethnicities projected to account for an increasing percentage of the New Zealand population. These changes are being seen in the service sector workforce, with increases in the number of workers identifying as Māori and Pasifika since 2006 and a pronounced increase in those identifying as Asian ethnicity.

	Service Sector Employment by Ethnicity 2013	Percentage change since 2006
European or other	432,885	-3%
Māori	57,204	1%
Pasifika	28,321	9%
Asian	92,485	40%
<b>Total</b>	<b>565,443</b>	<b>3%</b>

A more ethnically diverse workforce presents both benefits and challenges. The benefits include having a workforce that represents a more diverse customer base, having a much wider pool of talent to draw on and a workplace that is more adaptable with a variety of viewpoints. The challenge for business is to establish an inclusive workplace, and to effectively deal with issues around communication, expectations and change.

## Immigration changes

Part of what is contributing to a more diverse workforce is the increasing number of employees born overseas. A higher percentage of the service sector workforce was born overseas than the overall workforce. In 2013, 31% of the service sector was born overseas compared to 28% of the overall workforce. Since 2013, the number of international migrants has been increasing, and according to the MBIE Migration Trends 2015/2016, the most common occupations recorded for people approved under the Essential Skills policy were chef (8%), dairy cattle farmer (5%) and café or restaurant manager (4%). Retail managers and supervisors also accounted for a significant number of Essential Skills workers.

Integrating workers born overseas can pose a distinct challenge: language, cultural and communication barriers may need to be addressed, and overseas born workers may not be familiar with New Zealand laws and practices. The effect of the 2017 changes to immigration policy and future policy changes should also be taken into account when considering the future service sector workforce.



## Skill shortages

Many businesses report difficulty in finding people to fill skilled roles. This is often cited as a reason for employing skilled migrants.

The skill shortage does appear to be supported by the qualifications held by the service sector workforce. In 2013, 33% of jobs in the service sector were considered medium-high to highly skilled. Medium-high and highly skilled roles typically require a Level 5 Diploma or above, but only 25% of the workforce held a qualification at this level, indicating there may be a skill shortfall.

Upskilling the existing workforce to meet these skill shortages can increase productivity and improve staff retention. By reducing employee turnover and promoting internally, the service sector can demonstrate the career pathways available to workers, while working towards meeting sector growth.

*Only 25% of the workforce held a qualification at Level 5 or above in 2013*

## Growth and productivity

The service sector is growing at a fast rate. Over the four years to 2021 there are forecast to be over 160,000 job openings in the service sector; over 43,000 of these will represent new jobs from sector growth. The New Zealand service sector is competing for workers in a global market and needs to develop strategies to meet this growth. Productivity in New Zealand remains well below that of leading OECD countries<sup>3</sup>; to improve productivity New Zealand businesses can utilise new ideas, innovations and invest in quality management.

## Technology in the workplace

Technology and innovation has had a dramatic effect on the workplace over the past few years. Computers and smart devices play an ever-increasing role in the service sector workplace; the internet and social media, digital point of sale systems, accounts and stock management software, and data analytic programmes are some of the digital changes, and computer skills have become essential in the modern workplace. Automation is taking on routine tasks resulting in automated check-in kiosks at airports, self-service check-outs in supermarkets, and online and digital ordering systems. While some automation has been around for many years (such as automated dishwashers), recent advancements in robotics and cognitive technology has brought concerns about the impact of automation on the workforce sharply into focus.

Businesses that successfully adopt innovations can increase productivity, better engage with their customers, manage staff effectively, monitor the business and plan efficiently. Integrating technology into a workplace can be overwhelming and pose challenges to managers and staff. To make the most of technology in the workplace, businesses need staff with the right skills, able to access and use new technologies. Businesses need staff who are flexible and adaptable; willing to change the way they work and respond in this evolving area.

## Customer expectations

The service sector relies on customers for its livelihood. However, who these customers are and what they expect is changing. Customers are increasingly diverse, reflecting both our changing population and an increase in tourists from non-traditional markets, particularly from Asia.

*In 2006, China accounted for 4% of overseas tourism spend (7th highest) by 2016 this had risen to 16% (2nd highest)*

With the Internet, customers are better informed and able to research how they spend their money. Customers have access to a global marketplace and can compare prices, services and share their experiences directly with others.

International Visitor Spend in New Zealand by top 5 countries/regions of residence<sup>4</sup>

	Australia	UK	USA	Rest of Europe	Rest of Asia
<b>2007</b>	28%	18%	11%	9%	6%
<b>2016</b>	25%	16%	11%	10%	10%

More and more, customers place high importance on corporate responsibility, the effect of a business on the environment and society. Customers want to engage with ethical businesses, and take this into account when making purchasing decisions

These expectations can have a direct effect on business and the New Zealand service sector can capitalise on these trends. Service sector employers and employees need to meet the changing expectations of their customer base: staff that understand their needs, have high levels of knowledge and businesses that can demonstrate environmental and socially responsible practices.

<sup>3</sup> OECD Economic Surveys: New Zealand June 2017

<sup>4</sup> Dataset: International Visitor Survey - Visitor expenditure data extracted on 19 Dec 2017 from NZ.Stat

ServiceIQ has an overarching vision of having a world class service industry through qualified people. To achieve this vision, and develop the skills of the workforce, the whole sector needs to respond to current challenges and changes shaping the sector.

There are three primary levers a sector can use to develop the skills of a workforce:

- ▶ attraction and retention – ensuring that there is a pipeline of the right people into the sector and that they stay in their roles for a reasonable period of time
- ▶ developing skills effectively – ensuring that people have access to education and training that meets sector needs
- ▶ using skills effectively – ensuring that businesses and the sector as a whole makes the best possible use of the skills people have.

ServiceIQ developed a framework for workforce development in the service sector based on extensive consultation with industry. The framework has six agreed priorities for responding to service sector needs. These priorities were chosen as most likely to have a significant impact on increasing business productivity and growth. Each priority closely aligns with one of the levers, which can be used to develop the skills of a workforce. These priorities are purposely high level and aspirational, they outline focus areas for the sector as a whole. The linked strategies for action show ways the sector could begin to achieve these priorities. Concrete, detailed actions need to be undertaken by individuals, businesses and associations to realise these priorities.

*Our vision:*

**a world class  
service industry  
through  
qualified people**

### 1: Attract and retain people with the right attitude and aptitude

- 1.1 Promote career opportunities and benefits of working in the sector
- 1.2 Develop and promote career pathways
- 1.3 Improve the perception of work and careers in the sector
- 1.4 Engage Māori and Pasifika communities on issues relating to participation, achievement and progression



### 2: Increase the number of able school leavers transitioning into the sector

- 2.1 Raise the perception of careers in the sector with school leavers and families
- 2.2 Ensure that the service sector vocational pathway meets industry needs
- 2.3 Provide meaningful training programmes to school students through Gateway and other initiatives



### 3: Increase access to and engagement with training

- 3.1 Promote the value of training to employers and employees
- 3.2 Establish lifelong learning pathways
- 3.3 Develop delivery models that reflect the realities of workplaces in the sector
- 3.4 Identify successful models of learning from the learner perspective
- 3.5 Explore a range of delivery options including use of technology and on-job learning



### 4: Develop and maintain high quality qualifications and programmes that meet the needs of industry

- 4.1 Implement qualifications and programmes that are flexible, targeted and relevant
- 4.2 Improve engagement between industry and education system
- 4.3 Work with schools, tertiary providers and industry associations, to ensure programmes include the right mix of skills
- 4.4 Establish core sets of skills and transferable standards



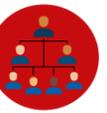
### 5: Increase productivity by developing core skills

- 5.1 Identify the core skills needed for each role in the service sector and gaps that workers have in these areas
- 5.2 Provide opportunities for targeted support for individuals with considerable skill gaps
- 5.3 Establish support structures in workplaces that encourage whole of business foundation skill development



### 6: Improve business and management capability

- 6.1 Increase SME business management capability
- 6.2 Upskill owners, managers and supervisors
- 6.3 Create clear pathways for leadership development
- 6.4 Make management training easier to access





## 1: Attract and retain people with the right attitude and aptitude

For a thriving service sector, effort is required to attract the right people and to keep them. Employers are looking for people with strong core skills, a good work ethic, and a customer focused attitude. To achieve this, the profile of the service sector must be raised to show prospective workers the potential career and lifestyle opportunities it offers.

The sector must encourage participation from a diverse range of ethnicities and ages. This requires a lift in achievement in training, and an increase in the number of people achieving higher levels of training and moving into more skilled jobs within the industry.

To maximise the utilisation of skills, generate a return on investment in training, and reduce the cost of turnover, people need to stay in the sector longer. It is important to have incentives to keep valuable skills in the sector through developing career pathways and offering realistic career opportunities.

- 1.1 Promote career opportunities and benefits of working in the sector
- 1.2 Develop and promote career pathways
- 1.3 Improve the perception of work and careers in the sector
- 1.4 Engage Māori and Pasifika communities on issues relating to participation, achievement and progression

### *ServiceIQ uses multiple channels to attract people to the service sector and engage in on-job training.*

Our website and social media channels share service sector stories about individuals and from the business perspective; we have regular media releases; we run promotional campaigns tailored to job seekers, teachers looking for school resources, employees and employers interested in training.

For example, throughout the year we run the “Earn and Learn Doing What You Love” campaign targeting school leavers and people looking to enter the sector or change careers; the “Great Staff Aren’t Born, They’re Trained” campaign is run in the trade and general media targeting employees interested in training and promoting on-job training to employers; we are part of the annual “Got a Trade? Got it Made!” campaign promoting on-job training as a viable option in tertiary study; and in 2017 ServiceIQ distributed 106,000 Service Career Kick-Starters comprehensive guides (with stories, career maps and statistics), to homes and workplaces as an insert in the *Sunday Star Times*, with thousands more copies sent directly to schools and careers advisors.

ServiceIQ also partners with Industry Associations to promote training options available and maintain consistent messaging around the service sector. We publish sector e-newsletters and our content can be used by Industry Associations in their communications. ServiceIQ supports and sponsors industry events and awards to raise the profile of training and roles in our sector, previous award winners feature in our success stories as we follow their careers.

ServiceIQ facilitated the involvement of our customers in four SpeedMeets in Auckland, Christchurch and Upper Hutt to connect employment opportunities with potential employees.

To celebrate and promote training in the service sector, ServiceIQ supports the Industry Training Mayoral graduations for our trainees, apprentices and their families.

## Relentless quest for great staff

*It’s not only guests who love staying with Quest Apartments. Their staff are also happy staying with Quest for a long time. On-job training for significant qualifications not only helps maintain excellent standards for guests, it also creates employee loyalty.*

Quest Apartment Hotels – New Zealand Human Resources Manager, Avelien Strickland, says training is a vital part of the company’s strategy that is focused on attracting, developing, and retaining great people essential for upholding the high-quality brand, especially popular among business customers and tourists. “It has been part of our ongoing mission to be an employer of choice and for talented people to stay with us. It was our primary driver for offering the programme. It’s an investment that rewards the business, our people and our customers.”

Quest Rotorua Central run by Franchise Directors Colin and Lisa McPhee, and Quest Highbrook, operated by Franchise Directors Brendan and Keld Kelly, were selected to participate in a pilot scheme to give employees the chance to achieve the New Zealand Certificate in Accommodation (Level 3).

The business also defined career pathways that offer employees the chance to step up into senior positions and launched the Leadership Development Scholarship to upskill employees in management for tomorrow’s businesses.

In a recent staff satisfaction survey, Quest Rotorua employees rated the business one hundred per cent for skills development and training. It’s a similar story at Quest Highbrook, where skilled employees are staying on thanks to more job satisfaction and opportunity to develop, says Lisa.

“Our employees’ skills and knowledge have all improved and so has their understanding of the bigger picture for the business and the importance of their role in it. Happy staff who feel valued equals happy guests and happy directors.” Brendan explains: “It’s a real winner for our employees. They get a recognised qualification and it means they stay with us through the training process and for longer.”





## 2: Increase the number of able school leavers transitioning into the sector

For the continued success of the service sector, it needs young people and their families to view occupations in the sector as careers of choice. To achieve this, schools, tertiary providers and workplaces must connect to help create and sustain a pipeline into service sector careers.

Initiatives such as Gateway, Vocational Pathways and Youth Guarantee all aim to make the school to work transition smoother. These programmes enable school students to develop skills that are relevant to employers. They allow young people to experience what working in the sector is like and if it is something they are interested in pursuing before they leave school and start work.

It is important for the sector to provide input, so that the skills taught and programmes offered align to business needs and students experience the reality of working in the sector.

- 2.1 Raise the perception of careers in the sector with school leavers and families
- 2.2 Ensure that the service sector vocational pathway meets industry needs
- 2.3 Provide meaningful training programmes to school students through Gateway and other initiatives

### *ServiceIQ's team of School Advisors are dedicated to achieving the best outcomes for secondary schools and students.*

The advisors work with schools and teachers to design their Hospitality (Food and Beverage) and Tourism curricula, as ServiceIQ offers a variety of resources and assessment models (both paper and digital) that can be tailored to individual school needs.

Hospitality has the largest uptake of the secondary school vocational subjects, with Travel and Tourism not far behind. More and more secondary schools are investing in commercial kitchen facilities and there is a growing trend employing industry professionals to teach students. This enables students to receive higher-level training, relevant industry-specific experience and prepares school leavers with the skills needed to enter the sector. Industry ready is the key.

ServiceIQ also provides schools with online videos of practical demonstration e.g. knife skills, barista processes and food safety videos.

Unit standards are mapped to the Vocational Pathways Award, allowing employers to easily identify school leavers with service sector competencies. In addition to this, almost 3,000 school students each year are engaged in work experience through ServiceIQ Gateway programmes in Retail, Aviation, Tourism and Hospitality.

ServiceIQ maintains a presence at the annual CATE conference (Careers and Transition Education Association). We also provide career maps and content to the careers.govt.nz website and other career sites; and have developed 360° video applications exploring the exciting careers in the service sector. We advertise and provide a case study in the Leaving School magazine, a thrice yearly publication with 160,000 copies per issue distributed to all secondary schools around the country.

## Talented young woman takes wing

*At just 15 years-old, Bayleigh McGuire was the youngest student to learn to fly on ServiceIQ's School Gateway Aviation programme. The training that takes place one day a week over six weeks, has proved the perfect take off to an exciting career.*

No longer a fledgling, today Bayleigh has a dream job in Wanaka, where she flies visitors from all over the world across the beautiful Southern Alps to Milford Sound and back again.

"It's an awesome flight and meeting new people and sharing our great country with visitors is hard to beat. Knowing you've helped them have an enjoyable experience is rewarding," says Bayleigh.

It's been a steady career climb. Completing the Gateway Aviation programme in her last year at school helped her gain entry into the Southern Wings Flying Academy in Invercargill. After two years, she graduated with a New Zealand Diploma in Aviation, Private Pilot Licence (PPL), and Commercial Pilot Licence (CPL).

In November 2015, Bayleigh landed her first job in the aviation industry with a flight coordinator role at scenic flight company Air Milford in Queenstown.

Then less than a year later, and just a couple of weeks before blowing out the candles on her 22nd birthday cake, she got her first pilot position with Southern Alps Air.

"If you've got the passion to be a pilot, you will make it happen," says Bayleigh. "You just have to be patient and prepared to do the other work that is also an important part of the industry. While you're doing that you're learning heaps."

At Air Milford, everyone has to help out with customer service and general duties, which meant I learned lots of skills such as loading aircraft and marketing that I can bring to my new position."

"You graduate from pilot school, but the learning really starts when you get your first job."

Bayleigh is accompanied by another pilot for several months while she gets used to flying her passengers in a six-seater Cessna over the mountainous route to Milford. Then she'll be free to navigate the skies alone.



Bayleigh McGuire



### 3: Increase access to and engagement with training

To be able to develop skills, workers need to be able to access training. Barriers to this can include limited access to training resources, limited time to undertake the training and in some cases lack of support from within the workplace to access training.

Businesses may need to be convinced of the value of workplace training, and how well-trained employees can result in real and measurable profit to a business. Training that meets the realities of a modern workplace, and that can be fit in around day-to-day business needs is likely to gain support for learning on the job.

- 3.1 Promote the value of training to employers and employees
- 3.2 Establish lifelong learning pathways
- 3.3 Develop delivery models that reflect the realities of the workplaces in the sector
- 3.4 Identify successful models of learning from the learner perspective
- 3.5 Explore a range of delivery options including use of technology and on-job learning

#### *ServiceIQ has an expert team of Training Advisors across New Zealand, and Sector Advisors specialising in their field of the service sector.*

Our advisors promote on-job training and work with businesses to select the training solution that reflects the realities of the workplace and is customised to the business' needs. With a range of delivery models available, we also provide assessment and support for assessors in the workplace.

To achieve this, we design new products and update our existing suite based on feedback from our industry, assessors and learners; and in line with current best practice. The assessments and learning material we provide meet industry standards while being flexible for individual workplaces.

ServiceIQ strives to engage with a wide range of workplaces and make training accessible to as many learners as possible.

### Cutting edge technology takes on-job training to the next level

*ServiceIQ's digital training system will make life a lot easier for the service industry. The system is custom designed to provide wide-ranging benefits for thousands of businesses and their staff upskilling on the job throughout the country.*

In essence, the service lets employers sign up their trainees quickly and easily, follow and support trainee progress and recognise achievement online. It streamlines the whole process, an exciting step in the on-going development of a vitally important industry to New Zealand and its people.

When ServiceIQ formed, it started to change the way customers could engage with training by offering short online courses that could be completed on mobile devices anywhere anytime.

This digital offer revolutionises the way customers can engage with their ITO, says ServiceIQ CEO Dean Minchington: "Our customers can now integrate with us seamlessly, it removes the barriers of old time-consuming paper-based sign-up and trainee progression reporting,

and it makes the entire engagement process transparent, painless and easy for customers. We can gather and display vital information for customers in real time or close to it, which helps them to better manage and support trainees."

ServiceIQ was able to add leading edge technology to its customer offering by partnering an internal project team with several innovative IT companies as integration partners.

"We're looking forward to helping thousands more Kiwis and businesses to get the skills, expertise and qualifications they need to succeed," says Dean.





## 4: Develop and maintain high quality qualifications and programmes that meet the needs of industry

Businesses need access to quality qualifications and training programmes that are tailored for the service sector if they are to develop skilled workers who can contribute to the success of the business. Training should meet the current needs of the sector and anticipate the future needs.

The service sector needs to work with ServiceIQ as the qualification developer, to ensure the training material developed meets the needs of industry in terms of content, skill level and context. Collaboration is essential so that skills and knowledge critical to business are captured in training programmes.

- 4.1 Implement qualifications and programmes that are flexible, targeted and relevant
- 4.2 Improve engagement between industry and education system
- 4.3 Work with schools, tertiary providers and industry associations, to ensure programmes include the right mix of skills
- 4.4 Establish core sets of skills and transferable standards

*ServiceIQ regularly reviews its unit standards, programmes and qualifications to ensure they are fit for purpose. We are continually updating our programmes in response to requests and feedback we receive from industry and adding new standards so that our programmes are up-to-date and meet the latest trends.*

As part of our ongoing work, ServiceIQ added more learning material to its Visitor Experience programmes for the tourism industry and expanded our products for the New Zealand Certificate in Accommodation (Housekeeping Strand) to make the material suitable for our SME clients, not just the larger hotels. In response to requests from industry, we offer online short courses that can be completed anytime, anywhere over a short period.

Recently, ServiceIQ has updated its Retail Level 3, Quick Service Restaurants, and Tourism Level 4 programmes; added the new Air Cargo strand to the Ramp Operations qualification; and undergone a full review of the Level 5 and 6 New Zealand Diplomas in Aviation – restructuring and replacing the previous versions.

During 2017, ServiceIQ focussed on improving user experience by revising our paper products to make them more efficient and easy to use, with clear language and simplified processes our products save time for trainees and assessors. ServiceIQ digital products are online versions of our paper-based resources including assessments and learning material. Our digital products streamline the administration process and employers have increased visibility of staff progress through training programmes.

## One tourism qualification to rule them all

*The Hobbiton™ Movie Set Tours attract rave reviews on TripAdvisor and other sites. Just as Aragorn guided the hobbits on their quest, today Sarah Collins guides groups of excited visitors through the hobbits' Shire, a memorable experience for the millions who have taken the magical tours.*

Sarah got the opportunity to work at the famous attraction when she left school. Now 22-years-old, she's into her second year at Hobbiton Movie Set Tours and training to qualify to become a senior tour guide. "Tourism has stolen my attention," says Sarah.

Studying for her tourism qualifications takes place on the job, and involves completing the ServiceIQ New Zealand Certificate in Tourism (Visitor Experience) Level 3.

It's an induction programme used by many of New Zealand's leading tourism businesses to give staff essential introductory skills to work in tourism. And it's compulsory training for all the team working at Hobbiton Movie Set Tours.

For Sarah, the training has been invaluable in her development to become a tourism professional.

"Having to write down what you do and describe each of your processes makes you think about how to develop your approach to make the experience better for visitors," says Sarah.

"For instance, I started paying attention to my non-verbal communications and now I'm much more aware of what I am doing. I hold myself more confidently and I know how to project my voice. My whole presentation is much more polished," she says.

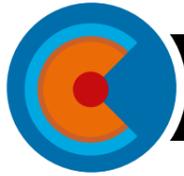
"I also thought about what kind of tour guide I wanted to be. A factual guide or a storyteller? Or a mix of both plus some humour because I'm always catering to groups, most of whom are there for a good time."

The programme was an opportunity for Sarah to refresh her health and safety know-how, and she's developed handy techniques, such as how to keep a tour group of up to forty plus visitors together as a team when some charge ahead and others straggle behind.

Sarah recommends training on-job to others looking to build a career in tourism.

She says: "Don't limit yourself to the one role and instead, always put your hand up for the training your employer is offering. You can take your career much further that way."





## 5: Increase productivity by developing core skills

Core skills in the workforce are a vital component of vocational skills. This includes literacy, language and numeracy. A lift in the core skills of people working in the service sector is likely to increase both its productivity and profitability. ServiceIQ aims to support industry by creating an environment whereby workforce core skills can develop and flourish.

This involves understanding the core skill requirements for key job roles, identifying employee skill levels and arranging suitable intervention where appropriate.

- 5.1 Identify the core skills needed for each role in the service sector and gaps that workers have in these areas
- 5.2 Provide opportunities for targeted support for individuals with considerable skill gaps
- 5.3 Establish support structures in workplaces that encourage whole of business foundation skill development

### *ServiceIQ has a number of support services available to lift literacy and numeracy in the sector.*

ServiceIQ launched its LLN Action Plan in June 2017, outlining an approach specifically designed to meet the language, literacy and numeracy needs of all trainees, apprentices and the businesses they work for.

We offer the opportunity for literacy and numeracy diagnostic assessments for our trainees, and we have a reading, listening and numeracy learning book with exercises and activities available – *A Guide to Literacy and Numeracy*. ServiceIQ can connect eligible trainees with literacy and numeracy training through funded providers and with mentors to support trainees through the learning process.

The Industry Training Federation manages the Skills Highway website, established to provide employers with support and resources to improve employees' literacy, numeracy and communication skills. ServiceIQ offers worksite assessments to businesses, with advice and practical solutions for a workplace accessible to employees with literacy and numeracy needs.

ServiceIQ has been part of a two-year research project supporting adults with dyslexia in the workplace; as a result ServiceIQ can support trainees who are screened as positive for dyslexia to access technological support through Workbridge such as Smartpens, Reading Pens and Voice to Text software.

## Short orders – dealing to dyslexia in the kitchen

*Liam Wilkie got a taste of what he wanted to do in life when he helped prepare food at a family friend's catering business in Hawera. Now, at 21, he's developing his career with a ServiceIQ New Zealand Cookery Apprenticeship at the One80° restaurant in Wellington.*

Dyslexia runs in Liam's family, both his father and his twin brother are dyslexic and cope with it well. It's the same for him, except for when he needs to write quickly and clearly.

"Mainly it's the spelling that slows me down. When I'm writing the produce and grocery orders, it takes me more time than it does other people. It's the same problem when it comes to the written part of my apprenticeship programme, which involves quite a lot of theory."

When his assessor noticed that Liam was struggling with his written assignments, ServiceIQ's Learning, Literacy and Numeracy Specialist arranged for him to have a screening test and supported an application for funding to get a high-tech Smartpen and note pad.

The sleek, ergonomically designed pen works by capturing everything that Liam writes and everything that is spoken. Inside the pen is a camera that takes a picture of his notes as he writes, and a built-in microphone that lets him record and playback what is being said.

For slow writers or someone who has difficulty taking notes, or simply wants to record the speaker, you simply tap a "record" icon at the bottom of the pad and the pen will record what is said from that moment on.

It's like a magic wand for Liam.

"It's helping me a lot with my writing and it helps me remember stuff. I can write things down, such as a recipe, and when I click on key words with the pen, it will read them back to me," he says.

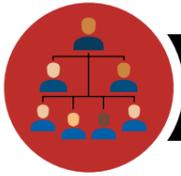
"If my head chef is giving me instructions and is speaking quickly, I can record him on the pen and play it back to rejig my memory. A lot of the chefs tell me recipes when we're busy working in the kitchen and I don't have time write them down, but having the pen makes this much easier."

Liam also has a mentor who helps keep him on track with his book work and is available to answer any questions he has on maths and other course topics.

To other young cooks with dyslexia, he says: "Don't give up. Push on. If you feel like giving up talk to a close friend."

There are a lot of people who have achieved huge success. It just shows that they are that much more determined to achieve their goals."





## 6: Improve business and management capability

For individual businesses and the overall service sector to be successful, effective business and management capability is essential. Quality management lifts organisational performance and productivity, making the business more profitable and sustainable.

There is a need for tailored training programmes for managers, they may not have formal qualifications or have had little professional development - particularly in key areas such as financial management, strategy and leadership.

Good management ensures that workers' skills are effectively developed. Well trained and well managed staff are retained, which is critical at a time when there is limited supply of skilled workers. Effective management can build business capability and achieve growth.

- 6.1 Increase SME business management capability
- 6.2 Upskill owners, managers and supervisors
- 6.3 Create clear pathways for leadership development
- 6.4 Make management training easier to access

### *ServiceIQ actively seeks new ways to improve business and management capability.*

In 2016, we launched a series of pilot workshops to train non-financial managers in financial literacy – the world-renowned Colour Accounting. The response to the initial Colour Accounting workshops was overwhelmingly positive and we formed a partnership with BDO (one of New Zealand's leading accounting companies) to continue offering the workshops.

ServiceIQ offers qualifications and training programmes to support the service sector to build business and management capability: the New Zealand Certificate in Business (Introduction to Team Leadership) – Level 3, the New Zealand Certificate in Business (First Line Management) – Level 4, the New Zealand Diploma in Business – Level 5 and the New Zealand Diploma in Hospitality Management – Level 5.

A powerful management tool recently available through ServiceIQ is Mediasphere's cloud based PowerHouse Hub Software, an agile business process solution. The platform enables a business to manage induction, training and compliance, performance, talent management, workflow mapping and industry certification.

ServiceIQ's annual Business Briefing series for 2017 was focused on the theme "Managing for Business Success". Given the importance of this for business and management capability, we extended coverage to 13 locations across New Zealand.

## Switched on career choice

*When she first started out in retail, Jessica Keiller used to love selling televisions – she reckons every room in the house needs one. She upskilled with a ServiceIQ on-job training programme and gained her New Zealand Certificate in Retail (Level 2). The achievement proved a big confidence boost for the soon-to-be sales star.*

It wasn't long before she started to clean up in the friendly competition between her peers by consistently meeting or exceeding targets, and winning sales person of the month.

"I decided to go all guns blazing and discover if I could be any good in this industry," she says. "Until then, the guys were usually at the top of the score board, but when I came along I showed them who was boss," she laughs.

These days, as an assistant manager with 30 staff, she's tuned into new challenges.

"There's always a lot going on and you have to stay one step ahead," she says.

"If you think that retail is a non-intellectual career, you're wrong because you've really got to be onto it."

Jess has completed the equivalent of the New Zealand Certificate in Retail Level 4 qualification, and her desire to learn and get ahead helped her to be selected as one of 25 participants in Noel Leeming's 'Women in Leadership' programme.

Her ultimate goal? CEO or a role on the leadership team would be fantastic.

As she says: "I certainly don't want this to sound arrogant, but I want to get to the top. I'm hungry to be better and to take on more. At school, I didn't know what I wanted to do, and others may have had the impression that I wouldn't go far because I lacked confidence. But now I know what I want and I'm heading in that direction."



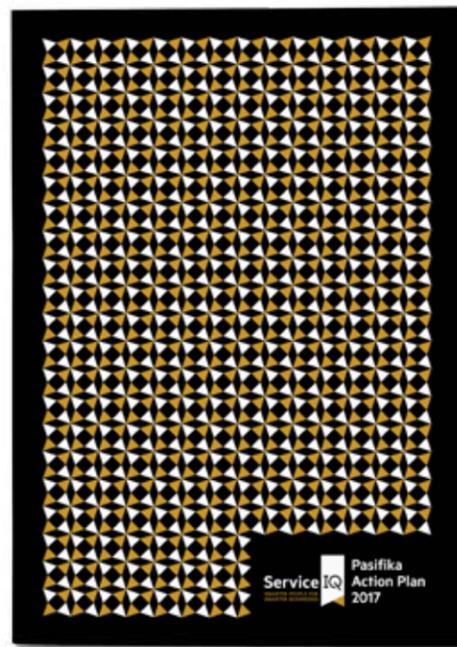
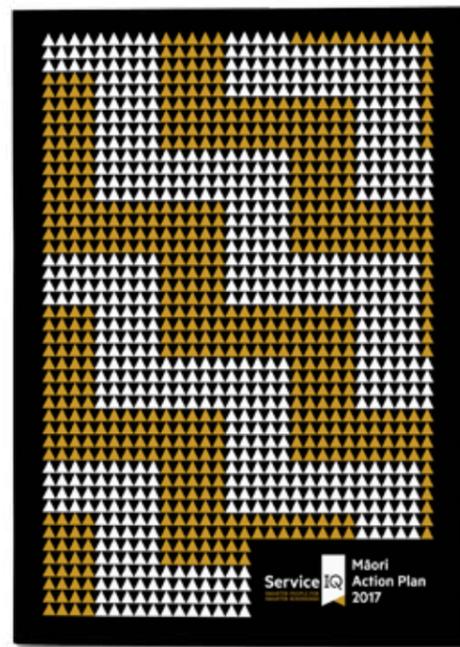
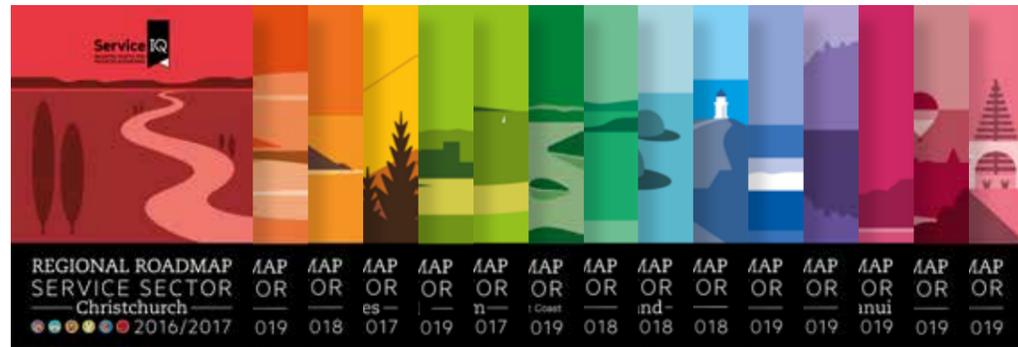


# ServiceIQ initiatives

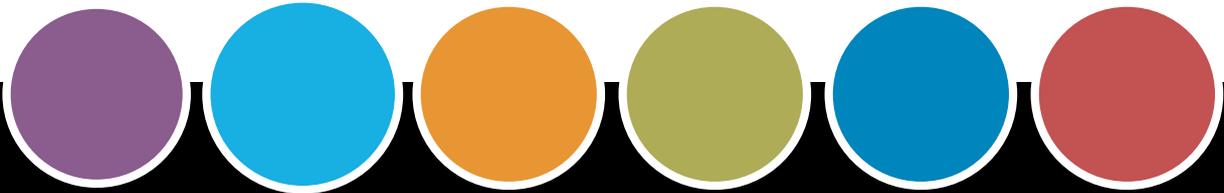
Since the release of the Service Sector Workforce Development Plan 2015, ServiceIQ has undertaken various initiatives to address the agreed workforce development priorities. To provide a regional orientation and focus to workforce development, ServiceIQ has produced Regional Roadmaps covering the service sector in New Zealand.

ServiceIQ launched its Māori Action Plan in June 2017 and our Māori Engagement Advisor has been working with whānau, hapū and iwi enterprises to realise the goals and vision for Māori success in the service sector. ServiceIQ's Pasifika Engagement Advisor worked with Ako Aotearoa and a consortium of ITOs on the Research Project: "Pacific Learner Success in Workplace Settings" launched at the Pacific Tertiary Education Forum in September 2017. The ServiceIQ Pasifika Action Plan was released in June 2017 after extensive consultation with Pasifika businesses, community groups and people within the service sector.

As part of our annual Business Briefing series, ServiceIQ undertakes a survey to confirm that the six workforce development priorities remain relevant to our industry, and ServiceIQ has been lobbying for recognition of the importance and contribution of the services sector to New Zealand as part of the At Your Service Aotearoa collaborative project.



Information about these and other initiatives can be found on the ServiceIQ website: [www.serviceiq.org.nz](http://www.serviceiq.org.nz)



# Service IQ

SMARTER PEOPLE FOR  
SMARTER BUSINESSES

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