

## ***The i-STEP Report Card 2011***

### **Introduction**

The Victorian Government-funded Industry Skills Training and Employment Program (i-STEP) was developed to address skill shortages that inhibit business growth in Melbourne's North. It also provided suitable employment options for local residents who are among the most disadvantaged in the labour market.

i-STEP was delivered through NORTH Link, an organisation that provides leadership in business networking, regional development and promotion across the northern region of metropolitan Melbourne. NORTH Link delivers development programs linking industry, education and local government. Established more than 24 years ago, it is recognised statewide and nationally as a very successful facilitator of business partnerships. Membership of NORTH Link includes local councils, small, medium and large employers, tertiary education and training providers and related organisations. NORTH Link assisted i-STEP to quickly establish positive relationships with companies, training organisations and local government in Melbourne's North, critical in sourcing hard-to-fill vacancies.

Approximately 50 per cent of vacancies received were for tradespersons or apprenticeships in metal fabrication including occupations such as Sheetmetal Worker, Boilermaker, Fitter and Turner, Metal Machinist and Welder. These are occupations for which the supply of suitable applicants is very low, and so the positions were very difficult to fill.

### **Observations of the i-STEP program**

The following observations were made through the delivery of i-STEP:

- It was delivered through a well-established and respected regional network – NORTH Link – which has strong links with industry, education and training providers and local, state and federal governments.
- It was able to use the membership of North Link to reach decision makers and gain support for the program.
- It was well placed to work in collaboration with other employment service providers because it was not in competition with them. This meant that it had access to a wider pool of jobseekers because other agencies knew that if any of their clients were placed in employment they could still claim the placement.
- It focused predominantly on skill shortage areas – mostly the manufacturing and engineering sectors and, to a lesser extent, the building and construction sector. It was not interested in competing in areas where there was an adequate supply of labour that could be easily sourced from employment service providers or through direct advertising.
- It provided greater confidence (among small manufacturing companies in particular) that suitable employees could be sourced without having to incur considerable expense.
- Because positive relationships were established between industry representatives and the i-STEP Coordinator, additional vacancies from the same companies were received during the duration of the program.

- Jobseekers used a range of avenues to obtain employment and a significant number who were registered under i-STEP found their own employment. However, some were referred to i-STEP vacancies and were also given information and advice that may have contributed to them securing employment.
- While many resumes had been prepared with the assistance of other agencies, a significant number were of poor standard and through i-STEP they were improved.
- Job Services agencies provide jobseekers with very limited assistance in the first three months of unemployment, yet this is the time that they are most marketable to employers and most confident about their prospects of obtaining employment. i-STEP was able to fill this gap.

## **The i-STEP Approach**

i-STEP aligned the skill requirements of employers to the interests, aptitudes and aspirations of jobseekers. This was particularly valuable to small and medium sized enterprises (SMEs) that, in many cases, had limited human resource management capacity. By establishing relationships and understanding company requirements, i-STEP was able to refer suitable applicants. This saved the organisations considerable time and resources in obtaining skilled staff.

Correspondingly, jobseekers were only contacted for positions in which they had indicated a real interest and affinity. When jobseekers submitted expressions of interest (either directly or through i-STEP's wide network of referring agencies) and i-STEP identified resume deficiencies or lack of alignment with position descriptions, feedback was provided. This helped jobseekers understand why they were not considered so they could take remedial action or reconsider the types of jobs they were applying for, increasing their job-seeking skills.

i-STEP maintained timely communication with employers throughout the process of filling vacancies, and sought feedback on the suitability of referrals. A strong emphasis was also placed on responding to jobseekers and their referring agencies in a timely manner and providing feedback on their suitability for particular vacancies. This was very important in establishing relationships, maximising the prospects of receiving ongoing vacancies and accessing suitable applicants.

## **A strategic approach informed by operational experience**

i-STEP did not just provide an employment service that received vacancies and sourced suitable applicants. It also aimed to understand the underlying causes of skill shortages and to take positive and strategic action to ensure that these shortages do not persist.

For example, new migrants and refugees possess a range of skills that often go unrecognised by industry and so are under-utilised. Many new migrants and refugees have trouble gaining suitable employment because they have little understanding of how the Australian labour market operates and what employers are looking for. As a member of the Whittlesea Community Connections Working Group, the i-STEP Coordinator took a lead role in organising the 'What Employers Want' breakfast, in which migrants and refugees had face-to-face discussions with employers from industries of their choice. Approximately 150 people attended the breakfast and both jobseekers and employers indicated that the event was a success.

This breakfast was followed up by site visits to two manufacturing companies. It was confirmed that three participants obtained employment straight after this initiative, and more employment outcomes will follow as a result of employers and migrant jobseekers having developed a greater appreciation of their respective offerings and needs.

The Whittlesea Connections Working Group is planning to build on the 'What Employers Want' initiative by organising two events in 2012. The first will build the confidence and aspirations of refugees by featuring presentations from peers who have jobs and are willing to share their experiences and act as role models for others. The second event is aimed at providing more direct employment outcomes for migrants and refugees. The intent is to secure the involvement of employers who will reserve real vacancies for jobseekers who attend the event and express their interest.

Another issue of particular concern was the lack of tradespeople in metal fabrication. This situation is likely to worsen as those approaching retirement leave the trade and are not replaced by new entrants. One of the probable causes of low entry rates, particularly among young people, is a lack of awareness of the trade. So i-STEP organised a Road Show in October this year, targeted at students in Melbourne's North who were completing the vocationally-oriented Victorian Curriculum of Applied Learning (VCAL).

The Engineering and Instrumentation Road Show featured visual presentations of the different occupations in metal fabrication, an outline of the opportunities available, and details of pathways to complete trade training. Employers, representatives of the three Local Learning and Employment Networks (LLENs) in northern Melbourne and representatives of the three major trade training institutions (Kangan Institute, RMIT and NMIT) were partners in this initiative.

While presentations were well received, particularly those from industry representatives, the response from secondary schools was disappointing. Although emails promoting the Road Show were sent to the Principals of VCAL providing schools in Melbourne's North, and followed up with a phone call to the Careers Teachers and/or VCAL Coordinators, participation by students was generally poor (with the exception of Penola Catholic College in Broadmeadows, which sent around 75 students). Lessons from this initiative relate to the timing of the Road Show and the need to secure and reinforce the support of Careers Teachers and VCAL Coordinators well in advance of the event.

These important and strategic initiatives were undertaken within the limited scope of the i-STEP program, which was only funded for 15 months. Much more needs to be done. i-STEP has demonstrated an effective approach based on an appreciation of the needs of both industry and jobseekers. It has a proven capacity to form partnerships and take positive and strategic action to boost the supply of skills required for a strong, innovative and resilient manufacturing sector – still the largest employing sector in Melbourne's North.

## **Achievements**

The project was resourced with one full-time Project Coordinator from end of end of September 2010 to early February 2011. With the departure of the Project Coordinator in early February 2011, a new full-time coordinator was recruited together with an administrative assistant for three days a week, both positions commencing on 31 January 2011.

With one full-time position for the life of the project, some diminution of momentum as a result of having to replace the original Project Coordinator, and an additional 0.6 part-time administrative support from 31 January 2011, the project achieved the following results:

- received and serviced almost 150 vacancies
- identified over 100 placements into employment
- met the target of 50 outcomes (those who have remained in employment for 16 weeks or longer) by the target date of 16 December 2011.

Refer to Appendix 2 for a breakdown of statistics.

## **Recommendation**

That the i-STEP program in Melbourne's North be funded again so that it can:

1. continue to support SME manufacturing and engineering companies in Melbourne's North to address their immediate skills by providing a dedicated recruitment service for apprentices and tradespeople at a local level
2. work on increasing the attraction of trade occupations in the manufacturing sector to potential new entrants by:
  - marketing and promotion, particularly to secondary schools
  - engaging a strong group of companies to be involved in the marketing campaign
  - supporting the connection between firms, students and jobseekers by implementing a well-organised and coordinated set of activities including work placements, work experience, leadership programs, site visits, mentoring and scholarships
  - promoting workforce diversity
  - providing assistance with workforce planning
  - promoting opportunities for young people, particularly those who are at risk of disengaging from employment and education, and who might become susceptible to anti-social behavior
3. increase the completion rates of apprentices in manufacturing and engineering by providing mentoring support to assist them to resolve issues that may impact on their work performance and by making representations to their employers to help maintain a continuing and positive relationship.

## Appendix 1: Partnerships

During its funding period, i-STEP was successful in forming a large number of successful partnerships, including the following:

### Group Training Organisations

- Apprenticeships Plus: received vacancies and referred jobseekers
- VACC: referred jobseekers interested in automotive apprenticeships (referred several people)
- Housing Industry Association: referred jobseekers interested in building and construction, mainly carpentry positions
- ATEL: received their vacancies and referred jobseekers

### Registered Training Organisations

- NMIT Heidelberg West: had regular discussions aimed at addressing skill shortages and we are currently formulating a project concept, which we will present to them
- Kangan Institute: had discussions on how best to address skill shortages, and we are currently formulating a project concept, which we will present to them
- RMIT: had discussions on how best to address skills shortages, and we are currently formulating a project concept, which we will present to them
- Goldmark (WCIG): addressed their job access participants, registered them for the i-STEP program and referred them to suitable positions
- Employment Focus (now E-Focus): addressed participants who completed their job access programs, registered them for i-STEP and referred them to suitable positions
- Northern College of the Arts and Technology: Hosted Engineering and Instrumentation Roadshow, and i-Step worked together to follow up on completed students to offer employment assistance

### Community Organisations

- Whittlesea Career Pathways Employment Working Group: member of this Working Group and actively involved in organising the 'What Employers Want' breakfast, industry visits and employment expo
- Reservoir Neighbourhood Renewal (Melbourne Citymission) : received referral of their jobseekers
- Broadmeadows Neighbourhood Renewal (Hume City Council): received referral of their jobseekers
- Hanover Welfare Services: received referral of their jobseekers
- Spectrum Migrant Resource Centre: received referral of their clients for vacancies
- Craigieburn Employment and Learning Committee: participated in meetings

### Job Service Agencies

Regular contact and received referrals from the following Job Services Australia agencies:

- Matchworks (Broadmeadows and Epping)
- Employment Focus
- Campbell Page
- Brotherhood of St Laurence
- WISE Employment
- AMES
- Job Prospects
- Sarina Russo
- Wesley Employment Services
- CVGT
- WCIG
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### **Local Learning and Employment Networks**

- Hume Whittlesea
- Inner Northern
- Banyule Nillumbik

### **Employers**

Employers who have lodged multiple vacancies through i-STEP included:

- Alustain
- Brunton Engineering
- Diavolo Group
- Hanrob
- Melbourne Canopies
- Walsh Industries
- Westaflex/Uniflex Pty Ltd
- Convair Engineering
- Britex Metal Products
- V & C Commercial Catering Equipment
- Sutton Tools
- Pronto Refrigeration
- Trent Refrigeration
- Sharpline Stainless Steel Pty Ltd
- Ulbrich Pty Ltd
- Egan and Stewart
- Wentworth Furniture
- Icon Equipment International
- BMP Engineering
- Hi Rise Access Pty Ltd

### **Employment and Pathway Projects**

- Islamic Youth Employment Project: Islamic Council of Victoria, Victorian Multicultural Commission, Inner Northern LLEN, Northern College of the Arts and Technology
- Hume City Council Moving Forward Program
- Hume City Council: Youth Jobs Front

### **Secondary Schools**

- William Ruthven Secondary College
- Northern College of the Arts and Technology
- Penola Catholic College

## Appendix 2: i-Step Final Report Statistics

### Vacancies generated during the i-Step program

A total of 163 vacancies were registered with the program, with an industry breakdown as follows:

Metals	65
Other (including other manufacturing)	53
Automotive	12
Carpentry	10
Warehousing	8
Animal Services	8
Administration	3
Plumbing	2
Electrical	1
Printing	1

### Employment results from the i-Step program

i-Step helped some jobseekers to bridge barriers to accessing employment opportunities. Examples include industry-specific advice and an individual resume building service, which ensured that resumes were current and reflected candidates' chosen career paths. As a result many jobseekers found their own employment and then returned to the program for assistance in maintaining their work placements.

Placements totalled 114 as of 14 December 2011, with an occupational breakdown as follows:

Metal trades	54
Other	18
Carpentry	14
Labourers/Production workers	13
Animal services	5
Administration	4
Painting	3
Automotive	3

Participants who have remained in work for 16 weeks or more are considered outcomes for the program. As of 14 December 2011, there were 52 jobseekers who attained outcomes.

### Jobseeker details

During the i-STEP program 835 jobseekers submitted their details, with 242 deemed eligible and registering for the program. Of the registered participants, the primary demographics were as follows:

Age 24 and under	142
Culturally and linguistically diverse	11
Disabled	2
Indigenous	1
Mature aged (45+)	45
Mental illness	1
Public housing resident	2
Recently arrived migrant/refugee	6
Retrenched	31
Unemployed 2 years or less	17
Long term unemployed	10

Age of participants:

Aged 45+	27
Aged 25 to 44	73
Aged 24 and under	142

### **Appendix 3: Industry and Community Comments on i-STEP**

#### **Brett Morrison, Director, Alustain (Thomastown)**

*i-STEP was a good way of getting young employees. In the beginning a couple of the candidates didn't work out, but it was probably a reflection of what was available. In the end, we had 2 wins.*

*The benefit of i-STEP was that it was local. It was handy to have someone come out to meet with us, learn our requirements, sift through potential candidates and bring them out to meet with us. It was also good for promotion of the metal fabrication trade.*

*We didn't get the same service from other employment agencies – they didn't contact us. I wasn't even sure that Job Network agencies still existed.*

#### **Daryl Baird, Production Manager, Brunton Engineering & Construction Pty Ltd (Somerton)**

*We certainly found the i-STEP program useful. Mind you, we had a need. We got a few good operators and some not so good. We ended up with 3 employees out of it. Overall it's a good program and I'd like to see it continue.*

#### **Carol Baran, Administration Manager, Convair Engineering (Epping)**

*I would like to see i-STEP keep going. We picked up 3 people out of it. We weren't aware of its existence for quite a while – it should be promoted more to SMEs. i-STEP had knowledge of what was happening in the local industry, for example, people being laid off at Caterpillar who could then be referred to us. We found that the 'run of the mill' employment agencies only deal with the very long term unemployed who are really hard to place. i-STEP had people who had a work ethic, a completely different kettle of fish!*

#### **Remo Ascenzo, Director, Sharpline Stainless Steel Pty Ltd (Coburg)**

*We didn't just rely on i-STEP to recruit people, but anything that increases the prospects of young people going into manufacturing is a good thing. A lot of young people these days just want to work on computers or in an office. It's very hard to get people to work in a factory. We have never really had much success in recruiting people, other than apprentices, in the past. We used to get them directly from the schools, but these days when we contact the schools we don't get an answer. People who come to us now are more those who can't get anything better so then look at a factory job, but by that time they no longer have the 'fire in the belly'. We advertise but we get a whole lot of applications from people who don't have what we are looking for. Any help is good help, and i-STEP enabled us to put on 2 apprentices who are still with us.*

#### **Kaye Hill, Diavolo Group (Campbellfield)**

*i-STEP was a very good help to us. We got a very good apprentice. If we needed more apprentices we would use i-STEP. It is very hard to get good apprentices and i-STEP did all the screening for us.*

#### **Arnold Garcia, Tieman (Campbellfield)**

*We were looking at i-STEP to obtain some apprentices but didn't result in any placements. We are currently looking at apprenticeships for next year and a third year apprentice that was referred through i-STEP will be part of that discussion. Our company normally advertises through SEEK, but it is always good to have another option as we can't afford to use private recruitment agencies.*

#### **Ian Goding, Owner, Godings (Whittlesea)**

*Ours is a very specialised occupation: qualified mechanic with expertise in working with agricultural and excavating machinery. We advertised in local newspaper and online and even registered with VACC, but with little result. We even looked at the overseas visa option. i-STEP has been more attentive than most in trying to source suitable tradespersons. We would like to see i-STEP continue because anything that might help to address the skill shortage is worthwhile.*



**Cathy Liuzzi, Director, V&C Commercial Trading Equipment (Heidelberg West)**

*We found the i-STEP service really good. It targeted the skills we needed. Other employment agencies sent us people with a broad range of skills rather than the targeted skills we needed. We would like to see i-STEP continue.*

**David Perryman, Managing Director, Icon Equipment International (Reservoir)**

*i-STEP was quite a good service. They knew our needs better than most. The only issue was about knowing that it existed. We just stumbled on it and would use it again for sure. It's good to have someone who knows what's out there and knows what's required. We use the internet and sometimes the local paper to recruit for trades and i-STEP provides another option in an area where it is difficult to recruit suitable people.*

**Martin Ward, General Manager, Ulbrich Products Pty Ltd (Bundoora)**

*We found i-STEP to be useful. It consistently offered candidates for our roles.*

**Andy Leptos, Owner, Melbourne Canopies (Reservoir)**

*I haven't had that much to do with i-STEP, but they did provide us with an apprentice who we are very happy with. It's a good idea and we definitely need something in Melbourne's North to address skill shortages. We need someone to send us suitable candidates.*

**Marijan Peric, Owner, BMP Engineering**

*i-STEP certainly helped us. They sent us resumes. Some were better than others but they were reflective of what was available. We advertised on SEEK and got 4 or 5 applications but they were not what we were looking for. It's very costly to go to private agencies. We finally put someone on who was sent to us through i-STEP and we were very happy with the help and the result. We would be sorry to see the program stop.*

**Liza Wheeler, Chair, Broadmeadows Employment and Learning Committee**

*Last year our committee undertook an initiative to place 30 young people into employment in 47 days. Mike was extremely supportive of the 2010 Youth Jobs Front (30 in 47). The project's success was in part due to those industry links provided by i-STEP.*

*Mike's knowledge of local industry, employer expectations, skills shortages, industry trends and training needs ensured we accessed 50 employment opportunities to refer young people to and exceeded our target of 30 young people into employment in 47 days.*

*i-STEP has provided the important link between local industry and employment service providers within Hume. The project has also offered significant support with the contractual challenges that ESPs face. A comprehensive follow up process within i-STEP ensures relevant information is collected and communicated back to case managers, capturing placements enhancing outcomes across the board. The continuation of i-STEP is vital to the continued success of grass roots, collaborative employment projects in Hume like the ELC Youth Jobs Front 30 in 47.*

**Shona Stewart, Employment Consultant, CVGT Employment & Training Specialists**

*Thank you i-STEP for all your help and the great vacancies that we have received from you and I hope we can work together in the near future. I'll look forward to receiving any future vacancies that you may forward.*

  
Mick Butera  
Executive Director, NORTH Link