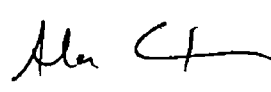


**Productivity Education and Training Fund (PET Fund)**

**Australian Chamber of Commerce and Industry**

**Outline Plan**

**From: 1 July 2013 to 30 June 2014**

Approval of this Outline Plan		Signature and Date
Australian Chamber of Commerce and Industry	Delegate: Manager, Productivity Unit	01/10/2013
Department of Education Employment and Workplace Relations	Delegate: <i>Branch Manager responsible for program</i>	

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## 1 Introduction

This document is the Outline Plan for the Implementation of the Productivity Education and Training Fund (PET Fund) in 2013-14. It establishes:

- what the project is to deliver in 2013-14;
- critical dates and project schedule;
- any changes to the Milestones and Deliverables Plan in how the project will be governed – who is responsible for what; and
- any changes to the Milestones and Deliverables Plan in how the project will be managed – for example how will changes be dealt with; handling of risks and issues.

This document reflects the agreement between the Department of Education, Employment and Workplace Relations (DEEWR) and the Australian Chamber of Commerce and Industry about the work to be undertaken and how it will be undertaken.

This document and the Milestones and Deliverables Plan will be reviewed regularly by the Project Team to ensure that they accurately represent the project status and intentions.

## 2 Deliverables

*Provide a schedule of planned activities that will be undertaken as the project, from 1 July 2013 to 30 June 2014 including:*

- *Detail of activities proposed, for example: courses, research projects, publications.*
- *Delivery Targets (number of courses, projects, publications completed)*
- *Coverage targets (Industry, geographic)*
- *Participation Targets (number of participants, users)*
- *Participant Evaluation Targets (overall participant and/ or user satisfaction level regarding deliverables)*

*It may be more convenient to provide the Schedule of Activities as an attachment to this Outline Plan (eg: spreadsheet or table).*

Please refer to the following attachments for further details:

1. Milestones & Deliverables - FY1314 v2
2. Industry-specific Initiatives

## 3 Governance

*Describe any proposed changes to Governance arrangements outlined in the Milestones and Deliverables Plan in regard to the means by which:*

- *the monitoring of funding received under the agreement will occur;*
- *the monitoring of the progress in developing and carrying out the Project will occur; and*
- *Australian Chamber of Commerce and Industry will manage subcontractors, including reporting, risk management, monitoring of payments of funding received under the agreement and of the*

*progress in developing and carrying out the Project.*

The governance arrangements will remain as outlined in the original Milestones and Deliverables Plan, with the Productivity Unit Manager and Board of Management now in place. The table below provides updated contact details for key personnel.

Provide:

- Updated contact details of managerial or specified personnel.

Managerial and Specified Personnel	Role/Responsibilities	Contact information
Manager – Productivity Unit, ACCI	is responsible for managing the Productivity Unit and implementing the Productivity Leadership Program plan.	MANAGER - PRODUCTIVITY UNIT AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY ABN 85 008 391 795  LEVEL 3, COMMERCE HOUSE 24 BRISBANE AVENUE BARTON ACT 2600 P: F: M: E:
Jenny Lambert, Director – Employment, Education and Training (EET), ACCI	Ms Lambert managed the establishment of the Productivity Unit within ACCI and has strong input into the key activities associated with this Program.	Jenny Lambert, Director EET, ACCI Canberra LEVEL 3, COMMERCE HOUSE 24 BRISBANE AVENUE BARTON ACT 2600 P: +61 2 6273 2311 F: +61 2 6273 3286  <a href="mailto:jenny.lambert@accl.asn.au">jenny.lambert@accl.asn.au</a>
John Osborn – Chief Operating Officer, ACCI	Mr Osborn has overall responsibility for the ACCI Productivity Unit	JOHN OSBORN COO AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY NATIONAL CAMPAIGN DIRECTOR SMALL BUSINESS. TOO BIG TO IGNORE CAMPAIGN EA Direct: +61 2 6270 8065 M: E: <a href="mailto:john.osborn@accl.asn.au">john.osborn@accl.asn.au</a>
Peter Anderson – Chief Executive, ACCI	As the Chief Executive of ACCI, Mr Anderson will oversee the operation	Peter Anderson Chief Executive

	of this Unit. The Director EET and the COO report to him.	AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY LEVEL 3, COMMERCE HOUSE 24 BRISBANE AVENUE BARTON ACT 2600 P: +61 2 6273 2311 E: <a href="mailto:peter.anderson@acci.asn.au">peter.anderson@acci.asn.au</a> W: <a href="http://www.acci.asn.au">www.acci.asn.au</a>
Productivity Program Board of Management	The Board will guide the operation of the ACCI unit on the implementation of this program.	Board membership is as follows:  David Goodwin (Chair)  Peter Anderson John Osborn Jenny Lambert

#### 4 Risk Management

Provide any updates to your risk management strategy in the Milestones and Deliverables Plan including any new risk you have identified.

One additional risk has been identified as follows:

Identified Risk	Risk Rating Level	Mitigation Strategy
Centre for Workplace Leadership is cancelled in the event of a change of government	Likelihood = 2 Consequence = 2  Risk Level = Low	ACCI has forged a strong relationship with the University of Melbourne. In the event that Government support for the Centre is withdrawn, we would hope to continue this partnership. In addition, the Productivity Unit has identified other potential partners in the Management & Leadership area that we will look to work with.

#### 5 Approvals

Clause 8.1 of the Funding Agreement requires the Australian Chamber of Commerce and Industry to provide a list of any Assets it proposes to purchase or create during the relevant project period for DEEWR approval. Approval of the Outline Plan will constitute approval to purchase those Assets specified in the agreed Outline Plan. Assets means any item of tangible property which has a value of over \$5,000 inclusive of GST (Clause 33 of the Funding Agreement)

- Provide a list of all assets the Australian Chamber of Commerce and Industry intends to purchase or create during this project period and the associated in the budget

ACCI purchased two computers for the Productivity Unit, and over the life of the project expects to purchase equipment that will support the activities, such as mobile resources. The budget reflects no more than \$10,000 over the life of the project on these assets.

Clause 7 of the Funding Agreement provides for DEEWR to give written approval of subcontractors.

- *A list of subcontractors is provided as part of this Outline Plan as follows: (Remove as necessary)*
- ACCI will be making extensive use of its existing member business network and working collaboratively with members. The development and tailoring of materials relating to productivity will involve specialist consultants, and as the project unfolds, the details of these proposed relationships will be notified to DEEWR regarding approval as required under the Funding Agreement.

Subcontractor	Role/Responsibilities
TBA	TBA

## 6 Budget

Provide a comprehensive budget including:

- *Itemised expenditure for the 2013-14 financial year;*
- *A general outline of expenditure with regard to the remaining financial years of the Program;*
- *Details of any assets Australian Chamber of Commerce and Industry intends to purchase as referred to at Clause 8 of the Funding Agreement.*
- *Please ensure that all budget figures are GST exclusive.*
- *It may be more convenient to provide the Budget as an attachment to the plan. (eg spreadsheet or table)*

Please refer to the attached spreadsheet for budget details. At this time, ACCI has not identified any assets it intends to purchase. Should any asset requirements be identified in future, approval will be sought in accordance with Clause 8 of the Funding Agreement.

## 7 Evaluation of Performance against Objectives

*Describe any proposed changes to mechanisms specified in the Milestones and Deliverables Plan by which the Australian Chamber of Commerce and Industry intends to evaluate performance against objectives.*

Please note that data required to evaluate performance will need to be collected consistently throughout the life of the project.

The evaluation of performance against objectives will remain as outlined in the original Milestones and Deliverables Plan, with specific targets and metrics to be developed around activities over the life of the Program.

## 8 Submitting your Outline Plan

Please email a signed copy of the completed PET Fund Outline Plan by close of business on Wednesday 31 July 2013 to: Damlen Booth – Program Manager, at the:

PET Fund Inbox - [PETFund@deewr.gov.au](mailto:PETFund@deewr.gov.au)

THEME	2013		2014	
	July - Sept	Oct - Dec	Jan - Mar	April - June
	<i>Human Capital</i>		<i>Management and Leadership</i>	

**P1. Promote workplace productivity and business engagement**

1.1 Website	Ongoing	Ongoing	Ongoing	Ongoing
1.2 Collaboration and Groups	Ongoing	Ongoing	Ongoing	Ongoing
1.3 Newsletter	Design	Quarterly Issue	Quarterly Issue	Quarterly Issue

Comments
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Regular posts will be made on the website
Users will be encouraged to collaborate, share ideas, comment on posts etc
A newsletter will be issued quarterly

**P2. Build capacity of business leadership to drive productivity improvement**

2.1 Leaders Forum				
2.2 Capacity Building Workshops		3 Capital City Workshops		3 Capital City Workshops
2.3 Productivity Research	Research Report	Report Publicity	Research Report	Report Publicity

The next Forum is scheduled to take place in Year 3 of the Program
3 workshops will run approximately every 6 months
Our knowledge & research partner (ANU) will produce a research report every 6 months. This will be promoted on the website, and used to inform other program activities (such as Capacity Building workshops)

**P3. Equip business to improve productivity**

3.1 Economy-wide Initiatives		Tool/ Knowledge Promotion	Tool/ Knowledge Promotion	Tool/ Knowledge Promotion
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Economy-wide Initiatives will be run around each of the 5 drivers of productivity (in collaboration with selected partners). Generally these initiatives will involve the development/promotion of a tool/knowledge regarding a particular driver. Channels for promotion will include: the website, newsletter, capacity building workshops, and various other program activities as appropriate. The driver in focus will change every six months. Human Capital has been selected as the first driver to tie in the launch of the ACCI Workforce Development tool. Management & Leadership has been selected as the next driver to tie in with the establishment of the Centre for Workplace Leadership
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3.2 Industry-specific Initiatives

5 Initiatives Selected	Invite Round 2	10 Initiatives Selected	Invite Round 3
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These will be developed and proposed by ACCI members to address productivity challenges within specific industries. They are likely to involve the development/refinement of knowledge/tools that are then delivered to business via a range of channels. The Productivity Unit will directly engage the recommended consultant and facilitate knowledge sharing and collaboration across the initiatives. The attached document "Industry-specific Initiatives" provides further details.

3.3 Innovative Projects

Invite Applicants	Announce Projects	3-4 Projects Running	3-4 Projects Running
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These will be developed, proposed and managed by ACCI members. We are looking for innovative ideas to boost productivity, either within or across industries. Knowledge sharing will also be important for these projects.

**P4. Strengthen industry-driven workforce development and employment participation**

4.1 Workforce Development Plans

Launch Tool	▶		
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The Productivity Unit is developing a workforce development tool that will be made available online (and promoted via both the ACCI and Productivity Leadership websites)

4.2 Employ Outside the Box

Ongoing	▶		
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ACCI will continue to promote this initiative on an ongoing basis

4.3 Management Training Packages

Ongoing	▶		
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The Productivity Unit Manager will continue to serve as a member of the IBSA National Project Reference Group for the review and update of the Management and Leadership training packages for vocational education

**P5. Measure and benchmark workplace productivity**

5.1 National Productivity Survey

		Assess Options	Select Option
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Following the decision not to proceed with the RMIT partnership, other options for gaining the targeted insights have been identified. Given the market for productivity surveys is already somewhat crowded, and the difficulties in achieving strong response rates, the Unit is considering whether a diagnostic tool (or big data analysis) could provide more valuable insights:



5.2 Productivity Measurement Tool

		Assess Options	Select Option
	Identify Data Sets	Assign Consultant	

Initial reviews have identified that a number of diagnostics (both general and industry specific) already exist, or are under development. Therefore the Unit will look to identify whether a new diagnostic is required, or greater promotion of existing diagnostics to encourage further uptake is more appropriate.

5.3 Big Data Insights

The Productivity Unit will draw on the partnership it has established with IBM to utilise business analytic technology to draw insights from diverse datasets. Work to secure access to datasets will continue, with a consultant then engaged to develop an analytical model.

**PRODUCTIVITY EDUCATION AND TRAINING FUND**

	<b>Total Budget</b>	<b>FY12/13 Budget</b>	<b>FY12/13 Actuals</b>	<b>Variation</b>	<b>FY13/14 Budget</b>	<b>Remaining Allocation</b>
<b>Income</b>						
Grant	\$5,000,000	\$5,000,000	\$5,000,000	0%	\$0	\$0
Interest	\$310,000	\$203,325	\$172,111	15%	\$122,507	
<b>Income total</b>	<b>\$5,310,000</b>	<b>\$5,203,325</b>	<b>\$5,172,111</b>	<b>1%</b>	<b>\$122,507</b>	
<b>Expenditure</b>						
Audit Fees	\$15,000	\$0	\$1,680	N/A	\$2,000	\$11,320
Bank Charges	\$500	\$120	\$55	54%	\$120	\$325
Computer Costs	\$6,600	\$6,600	\$3,838	42%	\$2,500	\$262
Equipment	\$3,000	\$1,500	\$0	100%	\$3,000	\$0
Consultants:						
Capacity Building & Economy-wide	\$140,000	\$60,000	\$12,500	79%	\$80,000	\$47,500
Industry-specific	\$1,293,400	\$160,000	\$0	100%	\$800,000	\$493,400
Conference/Workshops:						
Leadership Forum (2A)	\$170,000	\$130,000	\$73,919	43%	\$0	\$96,081
Capacity Building Workshops (2B)	\$90,000	\$25,000	\$0	100%	\$45,000	\$45,000
Economy Wide Initiatives (3A)	\$80,000	\$0	\$0	0%	\$40,000	\$40,000
Workshop Subsidies	\$800,000	\$0	\$0	0%	\$300,000	\$500,000
Workshop and Learning Materials	\$360,000	\$40,000	\$0	100%	\$140,000	\$220,000
Management Fee	\$250,000	\$50,000	\$50,000	0%	\$50,000	\$150,000
Website						
Main domain site	\$70,000	\$45,000	\$6,352	86%	\$15,000	\$48,648
Site maintenance	\$50,000	\$10,000	\$0	100%	\$10,000	\$40,000
Online tools	\$150,000	\$40,000	\$15,888	60%	\$80,000	\$54,112
Innovative Projects	\$400,000	\$100,000	\$0	100%	\$400,000	\$0
Productivity Survey - 5 years	\$280,000	\$75,000	\$0	100%	\$25,000	\$255,000
Staff						
Intro and wind down	\$104,000	\$60,000	\$32,906	45%	\$28,000	\$43,094
Director	\$525,000	\$85,000	\$70,348	17%	\$155,000	\$299,652
Support part time	\$225,000	\$50,000	\$12,307	75%	\$70,000	\$142,693
Transitional costs	\$200,000	\$0	\$0	0%	\$0	\$200,000
Travel	\$72,000	\$9,000	\$7,543	16%	\$18,000	\$46,457
Telecommunications	\$7,500	\$1,500	\$0	100%	\$1,500	\$6,000

Publications/Subscriptions

\$10,000	\$2,000	\$0	100%	\$2,000	\$8,000	
\$8,000	\$1,600	\$1,191	26%	\$1,600	\$5,209	
<b>Total Expenses</b>	<b>\$5,310,000</b>	<b>\$952,320</b>	<b>\$288,528</b>	<b>70%</b>	<b>\$2,268,720</b>	<b>\$2,741,432</b>

Couriers and Copying

**Total Expenses**

**Remaining Funds**

\$4,883,583

## Industry-specific Initiatives

Through Pathway 3, the ACCI Productivity Unit is seeking to add value to the extensive range of productivity focused initiatives being undertaken by our Chamber and Industry Association members. This element will have a wide geographical and industry spread, reflecting ACCI's diverse membership and network. Working directly with experts and consultants, the Unit will support 15 Industry-specific Initiatives proposed by ACCI members, established over three rounds. These will be developed and proposed by ACCI members to address productivity challenges within specific industries. They are likely to involve the development/refinement of knowledge/tools that are then delivered to business via a range of channels.

Approximately \$100,000 is available for each initiative. It is intended that this figure will allow for the engagement of a consultant and support or subsidise the engagement with businesses by ACCI members. The "Industry-specific Consultants" (\$1,293,400) and "Workshop and Learning Materials" (\$360,000) budget line items are being used to fund the Industry-specific Initiatives.

### Context

In the initial plan put forward to DEEWR, the model for equipping businesses with new knowledge and skills was structured around a standard approach of subsidised workshops and learning materials. As a result of ACCI's extensive consultation with members, it was identified that whilst this approach was very suitable for some members, others suggested that different approaches were more appropriate. The criteria for identifying Industry-specific Initiatives reflect this flexibility.

### Initiative Identification

The Productivity Unit is responsible for assessing and approving Initiative proposals. We are relying on our members to tell us the key productivity challenges in each industry, and the most effective way they can be addressed. It is envisaged that these Initiatives will involve the development and delivery of productivity boosting tools/knowledge via a range of potential channels (such as workshops, online, or face-to-face consultation). In committing resources to an Industry-specific Initiative, we will be looking to ensure:

- Maximum Impact – we are seeking Initiatives that will deliver the biggest benefit to the greatest number of businesses.
- Longevity – ideally the benefit of the Initiative will extend beyond the term of the funding.
- Collaboration – knowledge sharing and collaboration between members in the same (or similar) industries will be an important means of maximising the impact. Therefore Initiatives that involve collaboration (within or beyond the member network) will be considered favourably.

The Unit will work closely with members to refine proposals to maximise the benefits they will achieve.

### Conditions of Support

- Initiatives must be completed no later than mid-2015
- Feedback must be captured from Initiative participants and provided to the Productivity Unit
- Learnings from these Initiatives must be documented and shared
- The ACCI Productivity Unit will directly engage the recommended consultant and play an active role in the management of these Initiatives, with ACCI members responsible for managing the engagement with their members and working with the consultant on the key issues to be addressed
- All materials produced and activities conducted as part of the Initiative will be branded with the ACCI Productivity Leadership brand, with the opportunity for members to co-brand

### Subcontracting

As the Initiatives have been developed by our members (as the experts in their particular industry), they will be responsible for selecting the preferred consultant. Our members regularly engage consultants on a range of projects and are therefore best placed to identify who has the required industry expertise to effectively deliver to the required standard. Following the selection of the preferred consultant by the relevant ACCI member, the Productivity Unit will enter into negotiation to ensure the proposed work plan and fees represent value for money.

Each Initiative will have at least one (in some cases more than one) consultant engaged to deliver the Initiative. The Productivity Unit will directly engage the recommended consultant and facilitate knowledge sharing and collaboration across the Initiatives. In some cases, ACCI members commercially provide consulting services and may be best placed to deliver the Initiative. If this is the case, ACCI will enter into a contract with the member. Consultants could be working with more than one member and the materials and learnings they develop and impart will be relevant to all businesses in that industry, regardless of which ACCI member proposed the Initiative.

As the engagement of consultants for these Initiatives involves subcontracting as defined under the Funding Agreement, ACCI will seek approval from DEEWR in each case using the Subcontractor Approval Template prior to engaging the selected consultant.

#### **Schedule**

It is anticipated that five Initiatives will be commenced in each of the following time periods:

- October/November 2013
- January – March 2014
- July – September 2014

This schedule is dependent upon receiving quality proposals from members in a timely manner. The schedule may be adjusted should a greater or lesser number of proposals be received at particular points in time.

#### **Performance Measures and Reach**

Each member proposal includes measures that will be used to assess the performance of the Initiative. To date, proposals have been received from the following industries:

- Printing
- Retail
- Hotels/Restaurants
- Transport
- Construction

ACCI will continue to encourage proposals from other industry sectors to ensure the benefits are spread across the economy.