The Workplace Literacy Fund

A review

A report prepared for the Department of Labour
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Executive summary

This retrospective study is one of a suite of evaluations and research being undertaken by the Department of Labour to inform the development of the government's Upskilling Strategy. It gathered evidence on what is being achieved by the Workplace Literacy Fund (WLF or the Fund), with a particular focus on outcomes for employers.

The Fund is funded and administered by the Tertiary Education Commission (TEC). It subsidises literacy, language and numeracy (LLN) programmes in the workplace, usually delivered by specialist literacy providers. Its purpose is to provide workers with literacy, English language and numeracy skills.

Information was gathered through analysis of reports to TEC by providers and through interviews with a sample of companies and associated providers that applied to the Fund in 2006. Additional interviews were completed with workplace literacy providers who did not appear to be involved currently in programme delivery.

The 2006 experience

Fifty-eight programmes were delivered to 51 companies in 2006. Most were in the production sector, a few were in the service sector. Companies ranged in size from one with 10 employees to one which has over 3,000 employees across 23 sites. Half the programmes were delivered in Auckland; a fifth in Canterbury and a fifth in the Bay of Plenty or Northland. Three-quarters of the programmes had 20 or fewer participants; the smallest had one and two participants respectively. Thirteen private providers delivered programmes; three companies offered LLN provision internally.

Twenty companies were selected for further follow up. Their characteristics were similar to the overall sample. Half were running repeat programmes.

Issues that highlighted LLN needs to companies were:
- health and safety understanding and compliance
- communication concerns, including changed or increased responsibilities
- quality compliance issues, including documentation and production errors
- ESOL issues
- the introduction of new technology
- wanting increased understanding of processes
- staff retention and absenteeism.

The need to support employees from non-English speaking backgrounds was a key driver for the current group of companies.

Companies referred to a range of impacts from low LLN skills:
- the high cost of quality issues
- the risk of accidents and emergencies if staff didn't understand or comply with health and safety
- the extra time and money spent ensuring that staff understood instructions and requirements
- the risk of legal action and the risks to exports with poor quality compliance
- absenteeism
- high numbers of complaints
- low morale
- high staff turnover.

Companies did not have access to a systematic source of information about providers.

Most companies found the LLN needs analysis that precedes programmes to be useful, even if only to confirm what they already knew.

Companies used a variety of strategies to recruit learners but all asked for volunteers to take part in programmes. Most used a combination of the following strategies:
- conducting the needs analysis process, where employees built up an initial rapport with the tutor
- holding meetings with each shift
- sending around memos asking for volunteers
- asking supervisors to select people
- approaching those who were identified as having the greatest needs in the needs analysis
- including LLN programmes in individual training agreements.

While data on learners was difficult to collate, it appears that a large number of men and relatively high proportions of Pacific employees took part in programmes. There were also significant numbers of other migrant groups, including people from Asia, Africa, and Eastern Europe. Where there were difficulties in recruiting, it was usually with New Zealand-born people with low educational achievement (Pakeha and Māori) and some Pacific people who either felt embarrassed or could not see why they needed to attend.

Approximately half the programmes offered one-to-one tuition while the other half offered a mix of group and one-to-one. Delivery models need to work around employees being off-site or on shift work and around peak demand and seasonal work, and adapt to the needs of learners as well as company constraints. The review indicated that most tutors were flexible and responsive to these demands as programmes progressed.

Managers and providers identified similar factors required for programmes to be successful:
- making the programme a priority
- quality teaching by a tutor who 'fits' the company
- programmes that met company needs
- sound company-provider relationships.

Overall, employers were positive about the benefits of LLN programmes and saw them as value for money. They were able to identify specific changes in behaviour in the areas of health and safety, quality and compliance. Communication improved and participation in company activities increased. Employers' satisfaction was also evident in the number of rollover and extension programmes they applied for.

Looking ahead

While there was some evidence of an increase in interest by employers, providers believe that demand for LLN programmes is still largely driven by them actively seeking out new clients. Given the costs involved in such marketing and the relatively low take-up rate, it is not surprising that providers are both cautious in what they propose and more likely to target larger companies with established training programmes and potential for growth because of the composition of their staff.

Multiple strategies, particularly through the media, are needed to keep workplace literacy in front of employers. Different strategies are needed to reflect differences in company size, sector, workforce composition and location.

The supply of providers in the field of workplace literacy is characterised by a split between a few larger providers in Auckland and Christchurch and other smaller ones operating from a variety of locations. Providers have different origins; most commonly they have been community literacy schemes and PTEs that have added workplace literacy to existing services. As a result, they have different business drivers and strengths. There has been limited uptake of workplace literacy by polytechnics and none of the programmes reviewed had a polytechnic as the provider.

It takes a long time for providers to develop the capacity required to deliver a specialised LLN programme that caters for both company and individual requirements, and the network of providers is neither extensive nor particularly robust as yet. Providers are generally enthusiastic but smaller ones have trouble sustaining the marketing, staff recruitment, compliance reporting and professional development required to run a quality service. The low conversion rates from provider contact to programmes, and the lack of demand, has made ongoing viability a serious issue for some existing providers and makes it hard for new providers to get established.

Delays in funding approvals make it difficult for some providers to establish a stable workforce and delays have increased in recent months. The minimum number for cluster applications for funding could be increased, to make it easier for providers to recruit smaller businesses or employers who want to trial the approach with a few staff.

There is room to develop the capacity of ITOs to act as information sources about workplace literacy—they were not often mentioned by companies or providers.

The needs analysis process is generally useful but for some companies that are hesitant about committing to a project a smaller scale approach may have some value. Given the high rate at which needs analyses result in programmes, it may be beneficial to combine the applications and have approval in principal for programmes given earlier, so providers can proceed with programme planning without risk.

The TEC reporting templates focus on learner outcomes and results, and providers often report extensively and with additional information on individual learners' progress. Often the data is not summarised so it is difficult to collate and analyse. Providers are not required to report in any depth on the outcomes and benefits companies gained from programmes. There is a tension between the individual learner-gain focus of the Fund and the contextualised and specific programme each company wants. Reporting software that combines these two perspectives would be useful.

Overall the review found:
- Companies of all sizes have issues with compliance, quality, health and safety, development and communication that have an LLN component.
- Many companies have a diverse workforce with both ESOL and literacy needs.
- Companies need more information and support to understand LLN issues in the workplace, how they can be addressed and what the benefits of such action are likely to be.
- Companies need to be able to find a suitable provider easily.

- Companies and providers need to jointly develop a programme that works for the company, the learners and the provider and commit to pursuing it.
- There was no evidence that one programme model was more effective than another; any model of delivery needs to suit the learners and the company involved.
- Companies can contribute to LLN gain and improved compliance and productivity by reviewing and revising training documents, standard operating procedures and health and safety information.
- The needs analysis and programme provision need to be seen as two stages in a single process, rather than as separate stages with separate funding processes.
- Both companies and providers have limited capacity to increase programme size; companies run programmes over a number of years to put large numbers of employees through.
- Quality teaching is essential if programmes are to be successful. Smaller providers and those in more isolated areas find it difficult to find and retain appropriately skilled staff.
- Providers take time to develop workplace literacy capacity and the network of providers that exists currently is not spread evenly around the country and is not particularly robust as yet.
- The rate of return from workplace literacy programmes is too low to sustain providers in areas with low demand. It is also too low to support provider development.

Project overview

Purpose of the review

The Department of Labour (DOL) is gathering evidence on the outcomes of existing workplace literacy initiatives, including what is being achieved by the Workplace Literacy Fund (WLF or the Fund).

This retrospective study is one of a suite of evaluations and research to inform the development of the government's Upskilling Strategy. It was selected because Fund data was available to consider immediately, while information and outcome data from the research and evaluation project associated with the Upskilling Partnership Programme of the Upskilling Strategy will not be available until 2008.

The Workplace Literacy Fund, funded and administered by the Tertiary Education Commission (TEC), subsidises literacy, language and numeracy (LLN) programmes in the workplace, usually delivered by specialist literacy providers. The purpose of the Fund is to provide workers with literacy, English language and numeracy skills.

The review, commissioned by the DOL, focuses particularly on outcomes from an employer perspective. It aims to increase understanding of the characteristics of applicants, the intentions of each programme, what companies hoped to achieve by them, the content and style of programme delivery and the impact of the programmes. The review also considers why programmes approved for funding did not proceed.

The research questions for the review were:
- What were the characteristics of companies and providers who took part in programmes in 2006?
- What issues drove companies to participate in programmes?
- How did companies recruit providers?
- What goals did companies set for programmes?
- How were employees recruited?
- How were programmes structured and delivered?
- What were the characteristics of the learners who took part?
- What outcomes were achieved in terms of company outcomes and benefits and changes in workplace practice and how were those identified?
- What were the costs of programmes?

Overview of the Workplace Literacy Fund

The first Workplace Literacy Fund was set up in 2001 by Skill New Zealand, to provide opportunities for employees to gain work-related literacy skills, to build the capability of workplace literacy providers and raise ITOs' awareness of workplace literacy issues and quality solutions (Skill New Zealand, 2002, p.5). The Fund had two components: the Workplace Basic Skills Development Fund (WBSDF) that providers could apply to on behalf of companies, administered by Workbase; and the Workplace Literacy Fund that ITOs and employers could apply to, administered by Skill New Zealand. The two funding streams were amalgamated and transferred to the TEC in 2005.

Under TEC, funding is available for LLN training integrated with vocational/workplace training to help workers meet their employment and training needs. Projects may be initiated by employers or tertiary education organisations. Funding is available for two separate components:

- an Initial Needs Analysis (which is fully funded if the employer runs an LLN programme within six months)
- a subsidy for direct LLN provision costs (teaching and preparation time and administration) of approximately 80-85 percent in the first year, reducing in subsequent years.

The Fund aims to help employers see the benefit of LLN training as part of their overall training and development planning and to assist as many employers as possible, within the funding available (Tertiary Education Commission, p.2). For these reasons, employers are expected to make a contribution to the costs of the literacy provision (minimum of 15 percent of the literacy delivery cost) and, if funding is approved for a second or third year, that contribution is expected to increase. The employer contribution is by way of employee release time and any capital costs (computers, training rooms etc.).[1]

Policy context

The Workplace Literacy Fund is part of a suite of initiatives that have been developed since 2001 as foundation learning has become more of a government focus. Initiatives have included the development of qualifications for literacy tutors, a set of LLN learning progressions, quality assurance arrangements, funding for innovative projects in tertiary education institutions and professional development projects.

Increasing the literacy and numeracy levels for the workforce is now one of the priority outcomes specified in the current Statement of Tertiary Priorities (Ministry of Education, 2007).

The Upskilling Partnership Programme recently launched in the Department of Labour aims to set up and evaluate up to 15 large-scale workplace literacy programmes over the next three years. In-depth information will be gathered to find out the business and individual benefits from these programmes. The Upskilling Partnership Programme will draw on the findings of this review.

Previous research into the Workplace Literacy Fund

An interim evaluation of the Fund and early programmes was carried out in 2002 (Skill New Zealand, 2002). Key findings were:

- Employers wanted to use the Fund to enable staff to gain new qualifications or update old ones.
- Errors, reworks, health and safety issues and changes in quality systems were factors in initiating programmes.
- Programmes took a considerable time to set up.
- An appropriate provider was not always available.
- Employees were keen to take part—if there had been initial reluctance, this passed very quickly.
- Programmes attracted Māori and Pasifika employees with low qualifications.

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[1] For more specific details on the WLF go to http://tec.govt.nz/upload/downloads/info-for-applicants-wpl.pdf

- Overall managers found the programmes useful for lifting employee confidence, morale and participation in workplace communication.
- The funding subsidy was considered essential by ITOs and companies.

Parameters of the review

This review of the WLF was primarily a secondary analysis of documentation and self report by the providers and companies concerned. It did not investigate whether there was independent data on specific company outcomes such as reductions in reworking, reduced errors or changes in company Key Performance Indicators. As the review aimed to find out the experience and issues of companies and providers, the Funder was not interviewed.

Methodology

The review adopted a multi-method, two-stage approach consisting of:

Stage I
- Document analysis of reports to TEC from providers

Stage II
- Face-to-face or phone interviews with a sample of companies that applied successfully to the WLF
- Face-to-face or phone interviews with the providers of those programmes
- Phone interviews with companies and/or the related providers where programmes were planned but did not proceed
- Phone interviews with a small sample of providers who had apparently not applied to the Fund in 2007.

The report contains examples of how programmes have operated, drawn from information provided in these interviews and associated documents.

Document analysis

TEC data was used to create a spreadsheet of all companies allocated funding for either a needs analysis or a programme between November 2005, when the fund started, and April 2007. Over this period, 40 needs analyses and 72 programme applications were approved for 65 companies.

We were able to collate information on 58 companies that had programmes of some kind running during 2006. Sixteen providers ran those programmes. Another 29 companies took part in needs analyses during the calendar year 2006. We reviewed over 280 pieces of documentation relating to these programmes, including funding applications for needs analyses and programmes, the needs analysis findings, interim and final reports.

We anticipated that a final report would probably be available for the 28 programmes approved before May 2006 but that proved not to be the case—we only sighted eight final reports for these programmes.

There were very few programmes where we could match a needs analysis application with a programme application and the subsequent monitoring reports. Some of the programmes that ran in the early part of 2006 had been funded in 2005 under the earlier funding arrangements and documents were not readily available. In other instances, operational issues in companies meant that programmes started later or took longer to deliver than expected. Any subsequent evaluations of completed programmes need to encompass data from three calendar years. For example, funding approval might be granted in October, the programme might run from February to November of the next year and the final report may not be presented until the following February.

Analysing the monitoring documents was also a challenge. Monitoring reports referred back to information presented in earlier documents that were not available to us. The TEC provides a template for reporting but the providers have adapted it to fit their own needs, so data was not standard. The most significant issue is that data is often not summarised or collated. For example, some providers supplied a session

attendance log for every learner but did not aggregate the figures. Others reported attendance in percentages, (for example, 81 percent without confirming how many sessions there were or how many learners attended. Providers presented detailed descriptions of issues which were difficult to summarise or compare across programmes.

Reports on learners also varied and were difficult to review. Many providers reported in detail about the learning plans and progress of individual learners. Others provided spreadsheets of learner information that was not aggregated or summarised in a format we could use. The level of detail (in some cases 3 to 5 pages of reporting on an individual) seemed far greater than TEC staff would be able to review or analyse.

Interviews

For the second stage of the review, a sampling frame of 20 companies who started WLF provision during 2006 was agreed in consultation with the DOL and TEC. The companies were selected based on a range of criteria:
- a mix of industries
- programmes of varying sizes
- a range of models of provision, including a mix of the total hours of a programme, delivery arrangements (1:1 or small groups) and content focus (numeracy, oral English, unit standards etc)
- including examples of programmes run in-house by companies
- regional distribution
- a range of providers.

Phone interviews were completed with representatives of those 20 companies. The aim was to explore in more detail how programmes were set up and run, and to identify short-term outcomes. The high turnover of staff in companies made it difficult sometimes to locate the person who was responsible for the original application or knew how the programme had operated. This was particularly the case when trying to identify people who knew why programmes had been delayed or not gone ahead.

Phone interviews were also completed with 14 of the 15 providers who delivered those programmes. One provider declined to take part.

Endeavours were made to contact companies or providers where needs analyses had been carried out but programmes not gone ahead. Interviews were also completed with three providers who were not involved in applications to the Fund in 2006.

Programme data for 2006 drawn from TEC reports

The following section presents the data that could be drawn from the analysis of the 58 WLF programmes that ran during the calendar year 2006. It includes data about the companies, the programmes, the learners and the providers.

The companies

The 58 programmes were delivered in 51 companies. Most companies (88 percent) were in the productive sector including: manufacturing plastics, packaging, materials for the construction industry, automotive and agricultural products, clothing and furnishings (Table 1). Three were engaged in extraction through mining or fertiliser manufacture. Eleven processed food or health products; others were engaged in construction, engineering, electrical services and horticulture.

Six were in service industries, providing aged care or rehabilitation services, laundry services, security and hospitality.

Table 1—Companies with WLF programmes by industry sector, 2006

Industry sector	Number
Production	
Manufacturing	22
Food processing	9
Construction	4
Infrastructure	4
Engineering	2
Electrical services	1
Health products	2
Horticulture	1
Sub-total	**45**
Services	
Security	2
Health services	2
Hospitality	1
Service (laundry)	1
Sub-total	**6**
Total	**51**

It is difficult to give an accurate picture of the size of the companies involved as some with more than one site only gave figures for one site, while others had given that information on forms not available to us. Companies ranged in size from one with 10 employees to one which has over 3,000 employees across 23 sites.

Half the programmes (29) were provided to companies in Auckland (Table 2); a fifth (12) were delivered in Canterbury and about one in eight (8) were delivered in the Bay of Plenty. The distribution of programmes largely reflects the distribution of manufacturing in New Zealand.

Table 2—WLF programmes by location, 2006

Area	Programmes
Auckland	29
Canterbury	12
Bay of Plenty	8
Northland	4
Waikato	2
Wellington	1
Taranaki	1
Otago	1
West Coast	1
Total	**59***

*One company has a programme running on sites in both Auckland and Canterbury, both of which are counted in the table above.

The programmes

Six of the 58 programmes were roll-overs of previous programmes; four applications were from company clusters (of these four, two were rollover programmes).

Twenty-nine needs analyses were recorded. Of these, 21 were followed by programme provision, eight were not. Two approvals for needs analyses were very recent and may still be followed by provision. One approval was for a multi-site company which has since undertaken programmes on other sites and may extend its provision to the site where the needs analysis took place. This means that five needs analyses have not lead to provision.

Forty of the 58 programmes (69 percent) planned to use one-to-one teaching, both to meet production requirements and to suit the needs of learners. Six of that 40 said they would use pairs or small groups for particular purposes if that was possible. Thirteen of the 58 (22 percent) planned to use small groups as the primary delivery model, while five planned to use a mix of one-to-one and small group tuition.

Three programmes included computer based learning. Almost all programmes were to be delivered on-site and in work time, often arranged to fit around shift work.

The following is an example of the kind of arrangements providers had to make to fit with production demands:
- 29 1x1 sessions and six pairs (similar levels) during dayshifts per week
- five pairs after day shift—overtime pay incentive for 10 people to attend programme after hours
- 10 after shift ends (2.30-3.30); six 1x1 during night shift
- computers with ESL software for independent learning.

Twenty-seven programmes were linked to unit standards, 31 were not.

The learners

According to the application forms, most programmes were fairly small. Three-quarters (45) had 20 or fewer participants, with the smallest programmes having one and two participants respectively (Table 3).

Five programmes had more than 50 participants. Three programmes had between 50 and 60 learners, while two had 120 and 174 respectively.

Table 3—WLF Programmes by anticipated numbers of learners, 2006

Number of learners	Programmes
Under 5	3
6 to 10	21
11 to 20	21
21 to 50	7
51 to 100	3
101 +	2
Variable	1
Total	**58**

It was impossible to accurately establish ethnicity or gender from the application forms or monitoring reports, as they reported in a range of formats. Very few reported on age.

Too few final reports were available to confirm the information available in applications.

The providers

Thirteen of the 16 providers of workplace literacy programmes during 2006 were private providers (Table 4). Three companies offered LLN provision internally. While we focused on the external providers because they will be important in endeavouring to increase the scale of LLN provision in the workplace, exploration of in-house provision offered useful insights into this as an alternative strategy.

Only four of the external providers have experience of programmes with more than 50 learners. Two providers were not NZQA accredited. Table 4 shows the 58 programmes listed against their providers. No polytechnics were included in this group of providers—all were PTEs or private companies. Some providers have been involved in workplace literacy since it began in New Zealand in the early 1990s. Others are much more recently established.

Table 4—WFL Providers by programme numbers and years of experience, 2006

Provider	Number of programmes in 2006	Years of experience in WL	Learners per programme
Workbase	22	9	Range from 16-120; typically 20 or less
Edvance	8	1	<10
Wilkinson	7	n/s	<15
Venture	4	3	From 12-27
ITAT	3	6	11, 12, 60
ARAS	2	14	<10
Hagley Learning Centre	2	13	21, 40
McGirr	2	14	37, 53
Literacy Aotearoa Dunedin	1	n/s	10
Ashburton Learning Centre	1	28	20
Literacy Training Ltd	1	6	11
Responsive Learning Services	1	2	n/s
Russell Andrews (Contracted by Sadler & Associates)	1	2	18
Sadler & Assoc	1	4	57
Cavalier Bremworth internal	1	3 yrs internal	174 (enrolments not individuals)
O-INZ – internal (used to be ACI Glass)	1	5 years internal	43
Total	**58**		

Table 5 below shows that the majority of providers were based in Auckland, with another cluster in Christchurch.

Table 5—WLF providers by region, 2006

Location	Number of providers
Auckland	6
Whangarei	1
Tauranga	1
Christchurch	3
Wellington	1
Ashburton	1
Dunedin	1
Hamilton	1
Palmerston North	1
Total	**16**

The companies and providers sampled for this review

This section describes in more detail the companies and providers interviewed for this review.

Companies and programmes

Managers from 20 companies were interviewed by phone about their 2006 programme. The roles of the respondents included company owner, manager, branch manager, managers of production, human resources, and health and safety departments, a clinical coordinator and a learning and development advisor. The companies varied from multi-site endeavours with thousands of employees to a single, small enterprise with fewer than 20 staff.

Table 6 shows the industry sector and overall size of companies and the location of programmes, together with a summary of the issues that led to an LLN programme being established, as reported in the needs analysis or application form.

Table 7 describes what is known of the programmes in the sample, drawn largely from application data. It shows the anticipated number of learners and their ethnicity; the way the programme was to be organised and its probable skills focus, whether the programme was running for the first time or a repeat and whether it was linked to industry training.

The 20 programmes ranged in size: three had fewer than 10 participants; four had between 10 and 15 participants; eight had around 20 participants; and five had over 40 participants. In total, providers anticipated there would be approximately 585 learners funded through these programmes.

Half the programmes were for approximately 50 hours per learner; three were for 25 hours or less and the rest offered more than 50 hours. The exact number received by each learner was hard to verify without sighting the report.

At least twelve of the 20 programmes were dealing with significant ESOL issues. Seven appeared to have predominantly Pakeha participants.

These programmes illustrate similar features and issues to other programmes established through the Fund, based on our overall analysis of the documentation. The main points in the table are picked up in the interviews with company managers.

Providers

The provider manager for each of these programmes, or the tutor who taught it, was also interviewed, in part to verify details of the specific company programme with which they were involved, and also to get their perspective on the way the Fund and WLF programmes operated generally. Some providers were involved in more than one of the companies in the sample above.

In addition, three other providers were interviewed, for whom there were no programmes listed for 2007. This was to get the perspective of organisations that had stopped WLF delivery. In fact, only one was not active; one was running a programme and one was waiting for confirmation of funding for a new programme.

Table 6—Characteristics of 20 companies who ran WLF programmes, 2006

Co	Industry	Region	Company size—EFT	Key issues that led to interest in LLN programme
A	Food processing	Waikato	9 sites 400 on this site	ESOL issues Health and safety understanding Production errors and time wasted Quality systems compliance
B	Manufacturing	ChCh	332	Quality issues; need to record quality issues and get information on line Employees given more responsibility for documentation Needed greater participation from ESOL employees Links to skill based pay
C	Manufacturing	Northland	140	Accident rates Reduced production because of errors Poor completion of training
D	Manufacturing	Northland	70	Poor staff communication—aggression Cost of reworks Restructuring means increased responsibility shifted to staff; needs better decision making and team work Improved company documentation
E	Manufacturing	Auckland	N/S	Restructuring—new quality system not understood. Greater pressure to be 'lean and mean' for internationally competitive market Health and safety Wanted to grow staff for internal promotion
F	Electrical	Tauranga	13	Documentation errors and related reworks and lost time Quality
G	Hospitality	Auckland	5 sites, 3000+ employees in total	Multi cultural workforce—35 nationalities. Improved customer service - many employees work at night and have a lot of customer contact while working alone. Need for better oral and written communication and more accurate workplace documentation. Company wants to invest in staff

H	Manufacturing	ChCh	20	Rapid response manufacture—new manufacturing processes and sophisticated visual display system Want flexible staff and understudies for key roles Health and safety and quality important. ESOL affecting all of these
I	Manufacturing	Auckland	180 in manufacturing	Moving to self managing teams Need to be aware and proactive in running continuous quality systems Effective oral skills to communicate in teams Reading and writing for accurate workplace documentation Numeracy and problem solving to anticipate and solve problems
J	Food processing	Christchurch	213—multicultural seasonal workers	Not enough understanding of health and safety- lost time and significant consequences of not complying in food related industry Poor quality report writing Miscommunication between multicultural workforce—ESOL issues
K	Infrastructure	Christchurch	300 over a number of sites	Team leader with insufficient skills for the role Company now considering whether there is a company wide issue, rather than just individuals. Obvious at induction and health and safety training that some employees cannot fill in forms
L	Manufacturing	Auckland	189	ESOL Introduction of new technology and automation with computerised process control Inability to complete further training
M	Manufacturing	Auckland	200 at 1 site	Poor communication between staff Misunderstand instructions ISO 9001 registration—quality affected
N	Food and Beverage	Canterbury	800	Poor understanding health and safety Absenteeism Poor communication skills ESOL issues—including large group of new staff with ESOL issues
O	Health products	Auckland	140	New technology Need to meet quality standards ESOL issues Staff retention

P	Service	Otago	80	Oral and listening skills, following instructions Increase productivity
Q	Food and beverage	Wellington	102	Need to pass food hygiene and health and safety training to meet legal requirements of Food Safety Authority ESOL issues
R	Infrastructure	Canterbury	450/5 sites	Work procedures; record keeping Ineffective communication Health and safety issues
S	Food and Beverage	Taranaki	4500/23 sites	On job learning assessments New technology Quality assurance issues
T	Service	Auckland	150	ESOL issues—lead to issues in reading, writing and communication

Table 7—Characteristics of 20 workplace literacy programmes, 2006

Co	Learners	Ethnicity	Focus of the programme	Model	Programme status	Industry training
A	48	Cambodians	ESOL including 17 pre-literate. Understanding oral instructions; speaking; reading simple workplace texts; basic writing	1:1 and pairs Small groups too hard for production lines 1hr x 48 = 48 hrs	First time. Not sure if will repeat	Not this time—but if continue with LLN may move to First Line Manager training
B	21	Pasifika and Māori	ESOL: oral communication, problem solving, customer service, read workplace texts with understanding, accurate workplace documentation, numeracy for measurements and estimates	1:1 Groups too hard for production line

15 employees get 48 wks, 6 get 8 weeks

1hr x 48 = 48 hours | New to this site but repeat for company. Want a repeat on this site—not decided about higher level skills or focus on different employees. A third site for this company is being negotiated | Standard Operating Procedures linked to unit standards but not a major emphasis |
| C | 6 | 4 Pakeha, 2 other | Reading and writing to assist with study Numeracy to improve accuracy Critical thinking | 1:1 2hr x 8 weeks = 16 hours | First time | Apprentices Qualifications |
| D | 27 | 15 Pakeha 11 Māori 1 other | Numeracy—estimating, measuring, calculating reading with understanding—health and safety information Writing assistance for 1 supervisor | 1:1, 1 hour weekly at end of shift for production needs + not stigmatised by being pulled off line. Groups not possible 2hr x 24 weeks = 48 hours | Onto second extension. 54 employees in total. | In second programme, after enough skills acquired to enrol

4 apprentices getting support (3 in numeracy) 5 employees doing National Certificates |

E	20		ESOL, reading, writing, oral	Small groups Total hrs N/S	Has been repeated	National Certificates
F	5	Pakeha	Writing, oral skills	1:1 2hr x 25 weeks =50 hours	First time	No
G	23	Pasifika, Asian, Māori, Pakeha	Speaking and listening Reading and writing to improve workplace documentation Numeracy for calculations Understanding workplace processes	1:1; pairs and small groups where possible for oral English practice 1hr x 48 = 48 hours	Intend to repeat. Not yet decided on upskilling those who have gone through or working with new staff	No
H	20	Cambodian and Pakeha	Speaking and listening Understanding key company processes Reading and writing for new quality and production systems	3 small groups before work 2 hrs x 50 weeks =100 hrs	Probably	No
I	20	85% Pasifika	Speaking and listening Reading and writing, including using a computer for recording Numeracy—understanding tables and graphs Health and safety Understanding processes and quality	1:1 to fit 3 rotating shifts 48 hours total	Now 60 employees have been through more than three programmes	No
J	20	Asian, Pasifika, Māori	Speaking and listening to instructions and conversations in English Site processes Health and safety	Small groups— afternoons at the end of shift (hard because it cuts into overtime)	Just signed up to a new term Could grow programme but employees are not	L1 1293 participate in informal interview L1 2977 Read texts for practical purposes L2 1277— communicate

				2 hrs x 50 weeks =100 hrs	NZ residents	information L1 3483—fill in a form L1 3490—write an incident report
K	1	Pakeha	Reading fluency Spelling and writing	1:1 on site 1.5 hrs x 16 weeks= 24 hours	May grow into larger programme	
L	43	Māori, Pacific, Asian & Indian	Three target groups: Basic literacy: Workers who have lived in NZ many years but have little formal education LLN for industry programmes ESOL: recent arrivals	Organised around shift work—come on days off to complete 24 hours training Mostly 1:1 because of shifts; group work where possible. Session length and timing varies	Ongoing programme—since 1999; funded by WPL since 2005. In-house learning centre and training	Working towards National Certificate— (Levels 1 to 3)
M	150	76% Pacific, 8% Indian, 7% Euro, 6% Asian	Unit standards based, level 1 or 2— communication, reading texts, writing, problem solving	Mostly small group (2-3 people); stay as long as needed up to 60 hours training	Ongoing programme—since 1997; since 2004 delivered in house	Working towards a National Certificate
N	20	Māori, NZ European, Pasifika, Eastern European	Foundation skills in literacy, numeracy Unit standards— transferable credits	1:1 off-site Group unsuccessful in earlier trials; shift work makes groups difficult to arrange	Ongoing programme, three earlier deliveries— expect it to continue	Building base of transferable unit standards
O	60	Not stated	Leadership, communication training, writing, reading, oral skills Unit standards focus	Small groups depending on needs and availability— larger groups for	Want to create a training programme that can be managed in house	Working towards National Certificate

				teamwork exercises; smaller for more supported learning	in future	
P	10	Mostly Pakeha	Unit standards-based—performing calculations, teamwork, completing routine tasks, communication	Mix 1:1, paired and group work; 150 hours 1:1 and 30 hours group work	Programme completed and final report made	All but one passed all three unit standards
Q	53	Mix Pacific, Asian and Pakeha	Reading, comprehension, interpersonal communication	Planned computer-based programme	Did not go ahead at last minute	Linked to Food Safety Authority requirements
R	13	NZ, East European	Unit standards-based; focus on language skills and communication	Groups to meet ESOL needs of NESB employees and literacy needs of NZ workers; some 1:1	No final report	Aiming for unit standards
S	11	9 NZ Pakeha, 2 Māori	Contextualised literacy activities for reading, writing, speaking, listening and numeracy plus technological contexts	Groups where possible—4 hours pw; shift work may preclude that in some instances	Plans for ongoing programmes at other sites	Plan to link to NZQA qualifications
T	13	Asian, Russian	Reading, writing, oral communication	1:1—unable to release staff for groups	Completed and new programme now running	Linked to need to pass IELTS level 7 examination

Findings from the interviews

1 Establishing a programme—employers' perspectives

This section discusses the company perspective on issues that highlight the need for an LLN programme, the effect of LLN needs on companies, linking with a provider, undertaking a needs analysis and recruiting employees.

1.1 Issues that highlight LLN needs to companies

In reporting on the issues that highlighted LLN needs for companies it is important to record that a number of companies interviewed had identified issues some time ago. Half were running repeat programmes and two had been running literacy programmes for over five years. They included companies of all sizes—those with fewer than 100 employees, those with between 100 and 300 employees and large companies with more than 400 employees.

In cases where companies had a high proportion of workers from non-English speaking backgrounds, and, in many instances, a low level of formal education, the need to focus on LLN training was obvious. In others, where the presenting issues were poor health and safety compliance, poor record keeping or high error rates, it is not clear whether employers immediately identified the problem as an LLN issue or whether they were aided in that by their contact with an LLN provider.

Four issues were mentioned most often:
- health and safety understanding and compliance
- communication concerns, including changed or increased responsibilities
- quality compliance issues, including documentation and production errors
- ESOL issues.

Other issues were:
- the introduction of new technology
- wanting increased understanding of processes
- staff retention and absenteeism.

Health and safety issues

Concerns with health and safety initiated interest in workplace literacy for half the companies interviewed. The companies were in the manufacturing, infrastructure and food and beverage sectors and covered the size spectrum.

The issues they reported included employees not understanding health and safety signs, and not following memos, guidelines and instructions. One gave a specific example:

> *"We were moving to more of a food quality standard—the guys had to wear hairnets. We had a meeting and told the team leaders the new rules and sent a memo. But on the Monday there was no change. A team leader told us no one could read the memo."*

Changing demands of the workplace

The communication demands of self-managing teams and the growing expectations of what teams do and take responsibility for were also issues that highlighted poor literacy. Poor communication skills limited a company's ability to introduce new systems or processes, and reduced opportunities to promote staff from within the company.

> *"Our trainer was getting highly frustrated—people not knowing what they had just been told."*

The introduction of new systems together with changing and increasing technology demands were also often mentioned, for example, increasing expectations that staff can access company documentation via a company intranet.

In some companies, the push to address LLN issues arose from a need for staff to pass work-related qualifications. One company was using the workplace literacy programme to provide literacy support for young employees who were struggling with LLN both on the job and in meeting the writing and numeracy demands of unit standard assessments within their Modern Apprenticeship.

Compliance and quality issues

Quality concerns were another common trigger point. One company had been re-working and correcting employee errors in-house before paperwork went to clients. Employees were forbidden to send anything in writing direct to clients. When documentation started being processed off-shore, clients were sent poor-quality paperwork

> *"The mistakes we had been dealing with were just left in. They processed them verbatim."*

Companies knew there were serious implications once they realised how little employees understood.

> *"They were just ticking, they weren't complying"* and *"We spent thousands on training but it didn't work."*

ESOL issues

Companies with high numbers of employees from non-English speaking backgrounds had a range of problems with communication across cultures and in the workplace. These included problems with understanding health and safety requirements, an inability to meet quality standards, an inability to complete training or qualifications and poor participation in team meetings. One example typifies the problem:

> *"We told him to put the waste in the blue bin but he threw it in the rubbish. It turns out he didn't know any English words for colours—he didn't know what 'blue' was.*"

Companies realised that they had to deal with the ESOL issues before they could expect improvement in other areas. The example below demonstrates this.

Supporting employees with high ESOL needs

A large company with three sites has been supporting staff training, including LLN training, for ten years. The main drivers for an LLN programme were quality, safety and compliance. The company had put in place systems for ISO 9001 registration but found that employees were unable to understand instructions. A needs analysis identified that lack of understanding of English was the main issue. Over three-quarters of the staff were from the Pacific and have English as a second language.

The 150 staff taking part in the programme all have training agreements. Training is delivered in company time and staff are paid to attend. The programme is delivered in small groups of three to four, working around people's shifts. All of it is unit standard based and all participants are working towards a National Certificate. Individual assessments are done before and after the training. The assessments are moderated by the ITO to ensure that they are consistent and valid. At the same time, the company has worked to simplify written instructions and communication.

The programme has been very effective in improving quality compliance, which is the main measure of success for the company. Individuals have gained unit standards and are more confident in undertaking training.

Demand for the company's product has increased to the point where they plan to take on 20 new staff, all of whom will be assessed for the programme. The company has also introduced literacy and numeracy testing in the selection process to try to reduce the need for so much basic training.

Key points: Training works well when it focuses on ESOL needs as part of a larger programme with a clear purpose—in this case, meeting ISO 9001 standards.

In two companies, employees from non-English-speaking backgrounds (NESB) asked the company for help with their language problems, one because he wanted to do first line management. In one of those companies, a number of staff were leaving work early to attend community language classes and the company realised they could benefit from having the programme operate on site.

NESB employees who may have managed adequately at other parts of the job sometimes needed additional skills to be able to pass mandatory qualifications. Staff in a company in the food and beverage sector had to meet Food and Safety Authority standards, while caregivers in a retirement village could not have their qualifications recognised until they passed the English language requirements.

ESOL staff seeking language certification

This programme was designed to meet the needs of caregivers in a retirement village who were qualified nurses in their own country but needed to achieve International English Language Testing Scheme (IETLS) certification[2] in order to have their qualifications recognised in New Zealand. Three-quarters of the caregivers at the village were overseas-trained registered nurses.

The clinical coordinator at the company is responsible for needs assessments and became aware of literacy issues when reading reports. She had seen some publicity about a provider and contacted them for assistance. The provider adapted an LLN programme to suit and delivered it over 24 weeks to 13 learners. The programme used one-to-one tuition for one session a week. This model was chosen in part to suit the needs of the company and in part to suit the needs of the learners.

While the programme was very successful in improving participants' writing and reading skills to IELTS Band 7 standard, it was not long or intensive enough to bring caregivers' oral communication to that level. The provider estimated that it could take up to a year with more intensive tuition to achieve that goal. This raises issues for the company. If caregivers have not passed IELTS and completed the six to eight-week bridging programme that follows within three years, the Immigration Department will not renew their work visa and they must leave the country. Without them, the company could not function.

With the WPL-funded programme, participating staff paid for the company proportion of the cost, with the payment being reimbursed if they stayed with the company for a year after completion. If the company could get funding for a longer, more intensive programme, it would be prepared to pay for the cost of the bridging programme if participants became registered and stayed with the company for two years.

Key points:
ESOL needs can take longer to address and require more intensive programmes than other foundation skills. The implications of staff not being able to meet qualification standards are significant not only for the company but also for staff who are performing well but may not be able to stay in New Zealand.

Investing in people

A few companies stressed that they saw workplace literacy as a way to invest in staff development, rather than primarily to fix a problem. Staff may have been doing their current job competently, but the company wanted to give something back and develop their potential. As one said:

> "It was an enhancing thing ... their lack of speaking didn't really interfere with their ability to do their work but we wanted to enhance their lives."

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[2] IELTS has nine bands. Current immigration policy requires principal migrants to have an overall IELTS band score of 6.5 or more, which means they have a generally effective command of the language despite some inaccuracies. At this level people can use and understand fairly complex language, particularly in familiar situations.

Employers referred to literacy programmes fitting in comfortably with company values about training. People spoke of wanting to invest in staff, to help 'build staff up' and to give something back to workers and the community.

1.2   Effect of low LLN on companies

In discussing the impacts on their business, companies referred to the high cost of quality issues, the risk of accidents and emergencies, the need to spend extra time and money ensuring that staff understood instructions and requirements, the risk of legal action and the risks to exports with poor quality compliance.

Others talked about absenteeism, high numbers of complaints, low morale, and high staff turnover. One company referred to the effects on productivity and the implications that had for financial viability and plans for growth. Another referred to the time taken to complete tasks and the limited options for promotion. Another wanted to introduce a company-wide best practice toolkit and needed LLN alongside this process.

1.3   Linking with a provider and deciding to proceed

The managers identified providers in a variety of ways. Sometimes Human Resource staff asked other companies or personal contacts for suggestions about providers. Three companies found a provider by word of mouth (just by talking at a dinner party). At least one company looked on the Internet and one got a referral to a provider from an ITO. In four cases a provider was known to company staff and in another the provider was known to the company for its specialist industry training:

> *"They had to know [industry]. They had to impact on what we did, our core business."*

Companies had also talked to a TEC local office.

In smaller areas, the range of potential providers was limited and companies used the only locally available service. It was clear that there was no systematic source of information.

Many companies said they were pleased to hear from providers that a subsidy was available. Some companies described the funding subsidy as essential. Other companies said they might have invested in literacy anyway but the subsidy made it easier to sell to management.

> *"We would have had to budget in advance. The problem was the company didn't realise what [how low] the levels were going to be."*

1.4   Needs analysis process

Typically, the provider applied for funding for a needs analysis. This is a compulsory component in WLF funding. The purpose of the needs analysis is threefold. Firstly, it establishes the LLN requirements of the workplace, that is, what reading, writing, numeracy, speaking and listening, computer and problem solving skills are required by the employees to perform all their tasks and duties. Secondly, the needs analysis is supposed to identify the skill levels of employees against the literacy demands of a particular job/s in order to identify those people who need literacy, numeracy or language assistance with certain parts of their job. The needs analysis process provides

the skeleton of the curriculum to be followed in each workplace. Finally, the needs analysis is a screening process that identifies which employees would benefit from the programme.

Many of the companies had decided to run a workplace literacy programme before they got the results of the needs analysis and for about half of the companies, the needs analysis process simply confirmed what they had identified for themselves: *"It was so blatantly obvious."*

For those companies, having to get funding approval twice (for the needs analysis, then the programme) was a waste of time, since they had decided to commit a programme even before the needs analysis. A few companies had been frustrated with the slowness of approval.

Whether the findings were obvious or not, companies found the needs analysis useful for a number of purposes:
- The data and formal reporting from the needs analysis added useful detail to argue the case with senior managers: *"It gave the programme legitimacy." "It added value. It was a selling point to senior managers."*
- The analysis gave managers a more accurate picture: *"We knew their English wasn't very good but not quite how bad."*
- The analysis silenced sceptics who were concerned that LLN issues were not part of their core business and should be left to schools to sort out: "*The results of the needs analysis shocked the heck out of us. The needs analysis explained the significance of literacy to our business."*
- The process added detail on which to base the programme. One respondent saw real benefit in the information gained about individuals which led to grouping employees by levels. The analysis also showed how everyone had different learning needs so the programme could be geared for their individual issues.

Some companies only put those employees they thought had issues through the needs analysis; others (usually smaller companies) had everyone assessed, including managers, so no one was stigmatised by the process.

Not all companies wanted a needs analysis for all employees. An alternative model was when an employer identified an individual or small group of employees with LLN issues and looked to a needs analysis process more as an individual initial assessment.

Only one manager said they did not get much out of the needs analysis process, because it did not tell them anything new.

Once employers got to the point of carrying out a needs analysis, it was unusual for them not to go ahead with the programme. Where that did happen, in all but one case, it was because of reasons external to the programme such as a company restructuring or a takeover. However, in the case below, senior management decided not to go ahead for internal rather than external reasons.

> ### *An example of a needs analysis that did not proceed to a programme*
>
> A company in the food and beverage industry has around 60 staff who needed to pass food hygiene and health and safety training in order to meet Food Safety Authority requirements.
>
> The company undertook a needs analysis and identified poor comprehension of English as a key issue. Most of the staff were from the Pacific or Asia. An LLN programme was designed with a heavy emphasis on ESOL and an application prepared for the Workplace Literacy Fund. The Training Manager passed the application to senior management who decided not to go ahead. The company had a range of projects happening at that time and other initiatives took priority. The staff who had greatest need of the programme subsequently left for other work opportunities where such training was not required. Staff recruited since do not have the same language and literacy issues.

A few of the longer-standing providers said that some companies who initially had said no came back later to discuss the possibility of a programme—sometimes two or three years later.

1.5 Recruiting employees to take part in the programme

Companies used a variety of strategies to recruit learners but all said they asked for volunteers to take part in programmes. Strategies for recruitment included:
- the needs analysis process itself, where employees built up an initial rapport with the tutor
- holding meetings with each shift
- sending around memos asking for volunteers
- asking supervisors to select people
- approaching those who were identified as having the greatest needs in the needs analysis
- including LLN programmes in individual training agreements.

Some used a combination of these approaches. One company used a translator to ensure their employees understood the proposed programme.

Participation was usually voluntary. Often programmes were advertised as an 'opportunity' for employees to help themselves, rather than focusing on problems that needed to be fixed. But sometimes 'volunteering' came with a bit of compulsion because the company wanted different work practices.

> *"There was some resistance but we pushed it rather than giving in. We told them this is a chance to help yourself—if you don't do it you have to present yourself better to customers."*

A key component in successful programmes appears to be how the programmes are marketed. Many companies thought it was easier to recruit people to programmes called 'Communications Skills' or something generic than to anything that overtly referred to literacy, although some did use the term. Companies referred to their 'Building the company' programme, 'Wednesday training', 'our [the provider] programme', not literacy.

Companies with a significant proportion of ESOL employees often had very little difficulty recruiting to the programmes:

> *"People were very keen, they were happy that the company was doing something for them."*

Some communities recruited themselves:

> *"Once we got the first Tongan it was natural recruitment of the others."*

A few employers said there was some initial resistance, which appeared to be more likely in companies with a higher proportion of Pakeha, who thought of themselves 'as dummies who can't spell'. One respondent said 'These guys are gruff, no guy likes to show weakness.'

In all instances, companies said that once the programme was up and running the resistance disappeared and people who had said 'no' were 'lining up to get in'. This was a strong finding—resistance faded away once a workplace realised people were not scapegoated by taking part and that the programme helped them in their work.

Resistance may not be solely by participants. Some managers alluded to sceptical team leaders who were reluctant to release staff, doubting the value of the programme. The same team leaders saw such a benefit from the programme that release time was no longer an issue.

One programme that was to run after hours had trouble recruiting initially, due to child care issues. These were solved by the individuals concerned; the company had no involvement.

The progress people made was often recognised through company newsletters, feedback from supervisor during regular meetings with the provider and from ceremonies companies held to acknowledge employees' achievements at the end of programmes. This acknowledgement probably helped reluctant employees to consider participating.

The benefits of voluntary participation

This programme was initiated by one man who had literacy issues himself. He found himself challenged in his role as a union representative and sought help from a local private training provider. When he became a health and safety coordinator in the company, he recognised that there was a significant need among the staff for LLN training. The company is large, with 800 full-time staff, working in shifts. Most staff come from a non-English speaking background and they include Pacific people, Asians and Eastern Europeans.

The company asked the training provider to come in and give a presentation and invited people to take part. Forty people signed up for the current programme. The ones that chose to attend have performed well; those who were pushed to attend have done less well and were more likely to drop out.

The programme offered complete confidentiality and one-to-one tuition off-site. Staff attended in their own time but costs were paid by TEC and the company. TEC's preference was for delivery in the workplace but this was impractical for a number of reasons including safety, the lack of a suitable space and the decision to offer staff privacy. This was done partly for cultural reasons. It was clear that many would not front up if they had to do that in front of their peers.

The programme provider used company material as examples in teaching the course, including health and safety signage, work sheets and reporting documents. The provider was flexible, understood the company's needs and business and was prepared to adapt their programme to suit. Each person had a learning plan. Some gained unit standards; others made progress towards that point. From the company's perspective gains were evident in changes in personality, higher self-esteem, more accurate work and better health and safety compliance. Participants also developed a strong loyalty to the company. Their wives reported that the environment at home was much improved; fathers helped their children with their homework and endorsed the benefits of education.

The company has now developed a pre-employment literacy test. Applicants are told that if they fail it, they can still be taken on but they will be offered a chance to do the literacy programme. If they choose not to, they will be put in a position where they do not need literacy but they will also have few opportunities for promotion.

Key points: The programme works best for people who are motivated and volunteer. It is essential to have senior management buy-in—keeping the programme small and manageable helps this. Some employees prefer a situation where they can learn in privacy and in confidence.

Establishing an LLN programme—providers' perspectives

This section discusses the provider perspective on issues that highlight the need for an LLN programme, the effect of LLN needs on companies, linking with a provider, undertaking a needs analysis and recruiting employees.

1.6   Marketing programmes to companies

Providers believe most programmes only start because providers initiate contact with companies. They described putting a lot of effort into contacting companies and convincing them that their workplace issues might be linked to low LLN skills. They identified who to call by:
- contacting people in their existing networks
- following up on comments made in industry or other meetings about companies with particular issues
- using the Yellow Pages or the Universal Business Directory to identify companies to target
- running networking events and doing presentations on workplace literacy issues for local businesses and business organisations.

Sometimes, local TEC offices referred companies to particular local providers. As provider numbers grew in some places, a few providers found they were calling on companies that had been already been approached by others.

Providers believe employers need to be exposed to a range of messages about workplace literacy. They need to hear about the links between literacy and business issues and the benefits of programmes from a variety of different sources, to help them make the connection between problems in the workplace and LLN. Articles in trade journals, newspaper articles, presentations at networking events and conferences meant some employers were already aware of workplace LLN when a provider made contact with them.

Most providers noted the importance of effective marketing but some appeared much more comfortable with the marketing and the sales role than others. Cold calling seemed difficult for providers who did not have a business background: *"You have to have a hard skin!"* One provider noted that they are careful to market programmes as an investment, not a cost.

The smaller providers for whom workplace literacy was an adjunct to other business were doing less marketing, appeared less comfortable with it and had fewer resources to invest in it.

Providers reported varying success from their different marketing approaches but it was obviously not straightforward—the rate of conversion from an initial contact to a programme ranged from 20 percent to 50 percent. Small companies with only the boss and one or two employees were not very likely to invest. Some were not interested and some did not believe that they might have problems.

A number of providers had met employers who knew their staff had LLN issues but had no intention of helping them: "*If I train them they will leave.*" These employers apparently thought there was too much risk in investing in training:

> *"Employees with more skills would get better CVs and leave. They would start asking questions."*

Other employers thought any training was too expensive. One provider had discussed ESOL needs with a company who turned down the proposal because of cost and then saw one of the employees enrolling in a community literacy programme.

> *"The employer had let them go because they couldn't read the bar code and wrapper."*

Role of funding in marketing

The availability of WPL funding was a sales tool and, like employers, many providers considered it essential. Without the subsidy providers were clear some programmes would not go ahead.

It can take a considerable length of time and a lot of work for providers to get from an initial contact with a company to a programme actually running. In the current sample, this had ranged from three to four months to as long as two years, depending partly on the timing of the contact and partly on company factors. Seasonal workloads, company restructurings or buy outs, the arrival of new computer equipment, and site changes all impacted on the timing of programmes. A company contacted in February might not be ready to consider a programme for over a year:

> *"It's not in our training budget this year, come back after the busy season next year."*

The length of time taken to get programmes started is now being exacerbated by increasing delays between funding applications and approvals. The expected turn around of funding applications submitted to the TEC by the 20th of the month has gone from seven to 10 working days to anywhere from four to five weeks up to 10 weeks. Providers believe once companies make the decision to commit to a programme, they expect it to get started very quickly. There is a risk that they may move on to other options if the delay is too great. Providers were also concerned about the strain this puts on their own resources; some were starting programmes without funding approval because they were concerned impetus in the company would be lost.

1.7   Needs analysis process

In all cases, the provider carried out the needs analysis. Typically the process involves:
- meetings with company management
- site visits to observe processes and employees on the job
- analysis of key workplace documents
- the development of an assessment instrument (which includes applied reading, writing, speaking and listening and numeracy tasks). Providers either created a tool specifically or contextualised existing tools to fit the tasks required for each worksite.

Employees are interviewed individually and complete an assessment. The provider writes a report giving an overall profile of the company and the literacy demands of the roles designated for the study, and some information on individual learners.[3] The needs analysis process has to be adapted for different divisions within the same company if the key job tasks and related literacy demands are different.

Providers generally thought the needs analysis process was important and added value. At the very least the company got a literacy profile of their staff: "*We can't fix something until we know what is broken.*" Only one smaller provider thought the process might not be particularly useful and thought a less formal process would be sufficient.

Providers reported that recruiting companies and undertaking needs analyses is a lot of work and when programmes do not proceed, they lose money.

One provider offered this initial assessment free to companies. This required an investment of at least a working day. The provider recognised this may not be a sustainable marketing strategy as the company grows.

1.8   Recruiting employees to take part in the programme

As noted above, providers are often involved in the recruitment process, for example, by making informal presentations to staff in the lunchroom when the needs analysis is about to start. Some companies and many of the providers said the tutor was a key influence in recruiting learners, particularly when they had done the needs analysis and built some rapport with employees. They were able to explain the programme to learners: "*If she can talk them into it, they will support it.*"

Providers used a variety of expressions to describe the programme to employees including: 'supported learning', 'the company had decided to upskill everyone', 'working towards qualifications', 'enhancing your skills', or 'support for on job training'. One provider wondered whether there would be a generational gap in interpretation of the term over time. For older employees, the term 'literacy' is often heard as 'illiteracy' while younger ones will be increasingly familiar with the term because they have had explicit teaching in literacy and numeracy as part of major initiative in schools over the last ten years.

One provider has provided a screening tool to a company; all employees recruited for seasonal work are to be assessed and if they do not pass it are to be 'strongly advised' to take part in an off-site literacy programme.

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[3] A model of a needs analysis process has been published by Workbase
http://www.workbase.org.nz/Document.aspx?Doc=LNAv8.pdf

Programme structure and organisation

This section draws on the interviews and the information provided earlier in Table 7.

The way programmes are organised depends on a range of factors other than pedagogy including:
- the nature of the company's operation and shift patterns
- whether employees are on or off-site
- the number of participants involved
- the availability of quiet spaces on site.

3.1 Time and place for programmes

Most programmes ran during working hours, with a few starting at the beginning of shifts or running after shifts ended. A small number ran in out-of-work time because it was too difficult to release people from production lines during shifts or because staff worked off-site. Sometimes people would come after work and occasionally on their days off.

Programmes worked best when:
- a company and all employees were on one site
- the plant did not operate 24 hours a day
- tutors were close to the main plant
- tutors were able to talk to supervisors and employees easily on a regular basis
- tutors were able to pull people off the production line to come to their literacy session or easily find substitutes.

Programmes were more difficult to manage where:
- employees were off-site and had to come in specially to the programme
- tutors had to fit around changing production schedules and cope with 24 hour shift patterns
- the tutor was physically a long way from production and not as visible
- the tutor could not arrange substitutes easily.

Most programmes took place on-site using dedicated training rooms, or meeting rooms near production lines or in spaces made available in administration areas. In a few cases employees went to the provider, who had training rooms nearby.

3.2 Structure of teaching

The application forms for the sample noted 10 of the programmes planned to offer 1:1 tuition, seven would use small groups and three planned to use a mix of small group and 1:1 tuition. None planned to have large classes and one planned to use computer-based learning materials but the programme did not proceed.

Companies described a number of benefits of one-to-one tuition:
- It could be accommodated within production demands, particularly shift work.
- It was more suited to the needs of difficult employees: "*One-to-one gets more out of them—they have to do the work themselves … [they] can't rely on someone else doing the talking.*"
- It focused specifically on the individual's learning needs.

- It suited a male-dominated culture "*where they don't open up in front of their mates*".

Equally, those companies that had groups running saw their value in improving team communication.

> *"It's much more difficult for the company to cover small groups but it's more effective …they share issues."*

In practice, in many programmes there appeared to be a mixture of one-to-one and small-group work, depending on employee needs and the particular goals the company had for the programme.

Managing the demands of learners with non-English speaking backgrounds influenced delivery. Within ESOL there are very different learning needs. Some people will be pre-literate or have low LLN in their first language, while others are literate and have academic qualifications but limited literacy in English. Some may have the ability to read and write in English but not to speak. These quite different needs are why providers organise 1:1 provision—it is not possible with the combination of learning needs, shift work and different job demands to create viable groups to address such differing needs. In some programmes, learners with low LLN or very little English were offered a period of 1:1 provision before moving into groups, to help them make faster progress or in some cases where the learner's skills were very low, to reduce the embarrassment that might come in a group.

Providers said they set up small groups on an ad hoc basis to meet particular learning issues. For example, it was common to set up short-term groups for people focusing on particular aspects of first-line management or for ESOL employees to practise conversation. Others used groups to meet unit standard requirements (such as US 1277, to communicate information in a specified workplace) or to work through issues common to a number of employees (for example, a small group for four weeks on a new quality system). Some group programmes involved two tutors, so one could work with individuals during a group session if required.

Setting up groups was not straightforward. Ideally group members would be at similar levels, as identified through the needs analysis process. However, employees at the same level might not be on the same shift or they might be on the same production line and therefore could not be released at the same time.

Providers saw improved communication within teams, and in some cases between teams when employees involved in different processes took part in LLN training together.

> ## *An example of an onsite programme with mixed delivery*
>
> A large company with 450 employees over five sites ran its first programme for 13 learners, most of whom had ESOL issues; and two of whom had low literacy levels. The programme ran for 40 weeks with small-group teaching for the ESOL learners and one-to-one tuition for the two learners with literacy needs. The programme was run on-site and in work time.
>
> The programme arose because managers identified people they wanted to move up through the ranks but who had poor literacy or language skills. They found the provider by asking other companies who they had used. The programme began with a needs analysis which was extremely useful in that it enabled the provider to group people with similar needs and skills.
>
> The company ran the programme 100 percent in work time, taking people out of workshops and off mobile crews twice a week. This inevitably caused some organisational problems and affected the attendance of one participant in particular. Ten people stayed on the programme to the end and three dropped out. Two of the three were 17 and 18 year-olds who left to do other things, in one case moving to Australia. The third person came from a non-English speaking background and left because of performance issues.
>
> The company thought the 10 who completed the programme made great progress. Their skill levels improved; they became much more confident and their written work visibly improved. An unexpected outcome was an increase in tolerance from other staff as they saw the non-English speakers going to classes and their English improving rapidly. Two of their colleagues have since come forward and asked to go on a similar course.
>
> If the company runs another programme—and they would like to do that—they will consider running it half in work time and half in the employee's time. They will also consider targeting the programme to older, more settled staff who are keen to move up through the company.
>
> **Key points:**
> A programme can have unexpected positive outcomes in terms of increasing respect and understanding among staff. Success can lead to greater interest in learning among other staff members. Targeting staff who have goals for advancement within the company increases motivation.

3.3   Attendance and retention

While few managers saw attendance as a major issue overall, many said that a small number of employees participated irregularly. Operational issues such as particular production runs, changing shift patterns and family pressures were the most common reasons for poor attendance. Providers needed to manage absences carefully. Tutors had to be flexible to fit around changes in shift work and to help participants catch up on missed sessions. Providers appeared to aim for an 80 percent average for attendance and worked hard to find replacements when people were away, and to ensure learners got the contracted number of hours.

> "*No shows are regularly reported to supervisors. If there are one or two drop outs, it's usually resignation.*"

It was hard to verify attendance from the data because of the small number of final reports and the tendency for providers to report on individuals rather than to summarise data. When programmes were not run in work time or off-site, irregular attendance appeared more likely, and also when attending the programme cut into employees' overtime. Attendance was an issue for younger employees on two sites—sport being a higher priority for example. Providers said it was hard for employees to learn when they were tired at the end of shifts. From the reports, it appears people who left a programme often left that company.

There appear to be two components to attendance—the company's commitment to ensuring employees are freed up from their work to attend and personal circumstance. Employers who were clearly very committed to the programme seemed better able to ensure regular attendance.

In a small number of cases providers described ongoing resistance from learners. In one instance the company had to confront the employee: "*He can't stay away from work just because he doesn't want to go to school.*" In a few instances the tutor had to overcome peer group pressure that 'learning was not cool'.

Tutors often managed to convince reluctant learners that they would gain some value from the programme, which led to positive quotes from employees after they had been on the programme just a few weeks:

> "*It's not so bad actually, I wouldn't mind doing a bit more.*"

The example below illustrates some of the issues associated with engagement and retention.

Engaging reluctant participants

This company employs 189 staff on one site. It is part of a global manufacturing company based in the United States with a regional office in Australia. Most of the staff are migrants with English as a second language and a poor level of education in their first language. The company has been providing LLN tuition to employees for seven years, initially through collaborative projects with Workbase, the ITO and other external providers. In 2003, the company established an in-house LLN Unit as part of its five-year strategic plan. The provider was audited by NZQA in 2006 and met quality standards.

The company chose to move to an in-house unit because the training has to fit within the needs of production. As part of their individual collective contract, employees have to give a certain number of hours to training in their own time. The demand is high enough to sustain a literacy tutor and literacy training can be integrated with unit standard industry material. The company expects to continue with its literacy programme for another year until staff get more up to speed and will review the situation then. They will still offer literacy support but it may not be so 'hands on' and may not need WPL funding.

Selling the programme was a challenge with a sense of shame being a major hurdle staff had to overcome. This was particularly true for Pacific employees who thought they did not need to be able to read to do manual work. The company took that on board and successfully sold the programme as second language support—for the 'bright sparks' who already had one language and were getting stronger in a second one (just like a Palangi learning Tongan, for example).

Once participants were engaged some enjoyed the programme but others saw it as a chore. The company continued to promote it as something that everyone does. Because the programme was run partly in employees' own time, they did not always show up if other things came up. They were expected to make up the time later. Production constraints were not so much of an issue because everyone knew about the programme and it is integral to the business.

The programme worked well for some staff and but others were slow to change. Overall, performance improved, with staff participating more in the production process, bringing up issues, raising points with supervisors, attending safety meetings and taking an active role. Supervisors regularly made remarks like, '*I didn't know he had a brain—I used to walk right past him. He has good ideas.*' Employees were able to work towards a national certificate in manufacturing and the company gives out certificates for unit standards at team meetings.

Key points for success: Sell the programme well and have good systems. Have qualifications for people to aim for and celebrate their successes. Make LLN a part of workplace training as a whole.

Outcomes achieved from workplace literacy programmes

This section describes the responses from companies about the successes and achievements of WLF programmes.

4.1 Extent to which goals are met

Overall, 19 of the 20 programmes appeared to be successful. This is borne out in the interviews, our analysis of the reports and the number of repeat programmes in the sample.

Expectations varied at the start about what the programme would offer. In application forms, goals were usually expressed in very general terms. The following examples are typical:

- Further develop oral communication skills for the workplace.
- Improve reading and writing skills to enable correct form-filling and understanding of workplace documentation.
- Develop computer skills to an independent level to allow correct keying in and out of product codes.
- Increase interpersonal communication skills.
- Increase understanding of workplace processes with a greater emphasis on how each person contributes to quality.
- Increase the level of employees' oral communication skills in the workplace.
- Develop English language skills with a particular focus on the need to carry out tasks in the workplace.
- Improve reading and writing skills to enable correct form filling and understanding of workplace documentation.
- Improve interpersonal skills.
- Increase understanding of workplace processes.

All but one of the managers were enthusiastic about the benefits of their programme and were positive about the extent to which the programme had met the original goals. Their general comments included:

> *"It's exceeded our expectations…it's helped the company, we get so much more done."*

> *"If I had my way now, everyone in the company would do it."*

Employers were also realistic about what could be achieved, given the nature of the need, the time allocated for the programme and the demands of the workplace. As one respondent from a company with a long standing commitment to training said:

> *"We didn't have high expectations. It wasn't expected to show a financial return…the return we wanted was a better calibre of employee. What we got was employees who look you in the eye, not so much aggression, better communication."*

A number of medium-sized and larger companies (those with 200 employees or more), or companies that were part of a larger international organization, saw literacy

programmes as part of a much broader training strategy. Their aim was to invest in their staff to ensure that work was done to an appropriate standard and that staff were equipped to cope with new developments and able to take on more responsibility. They also wanted improvements in basic areas like communication, interpersonal relationships and commitment. The example below illustrates the kind of outcomes many employers expected and obtained.

Linking LLN programme to a broader strategy

This programme was delivered at one site of a very large company but is likely to be extended to others. The company instituted an on-job learning programme and offered assistance to staff who wanted to improve their foundation learning skills. The company never saw the literacy component as a stand-alone package. Instead it was part of a continuous improvement programme being implemented across the site. All learning was contextualised to company processes and took into account new developments on site. Participants were able to gain credits towards a national certificate in manufacturing.

The programme was fully supported by management, the union, TEC and the provider. Without the support of any one of those groups, the programme is unlikely to have gone ahead or been so successful. TEC contributed funding at a level that made the programme viable. The union fully supported the programme and encouraged staff to take part. Most participants had been with the company for a long time—an average of 13 years. Both the union and participants saw the company's offer as an indication of its preparedness to invest in its employees.

The programme was designed to run for 48 weeks with a mix of one-to-one and group work for up to three hours a week per learner. The funding for the programme assumed that all learners would stay the full programme but in fact, some made such good progress that after six months they no longer needed to attend. Replacements needed to be found but this was not always easy.

Outcomes for the programme were formally assessed through the credits participants acquired. Informally, supervisors reported greater participation in work activities, a much more positive attitude, greater willingness to contribute and more commitment to the task. Because other programmes were running in the company at the same time, it is difficult to prove that improvements are directly related to the literacy programme.

Key points: Partnership has been key to the success of this programme with the company, the union, the provider and TEC all playing a part, along with it being embedded in a broader approach to company improvement and staff development.

A single programme was rarely able to address all of a company's issues:

> "[It's been effective] for individuals yes, for the company no. It's ongoing because it takes a long time."

When programmes are often only up to 50 hours long, it is understandable that people's literacy needs had not been fully addressed:

"We still have to check some of their paperwork."

"There is still a bit to go, although it has mostly delivered on what we required."

As employees improved, the emphasis in programmes or in repeat programmes shifted.

"*We have moved into industry training. We haven't conquered all the problems but now we want to move into first line manager training* [which involves different LLN skills]."

The skills with which individuals started also made a difference:

"Those who had some skills get on but some people are really behind and they haven't made much progress."

Even the respondent who was least enthusiastic thought the programme had made a difference to some people. That programme was with apprentices and the manager was disappointed that what they learned had not been translated into the job. He was not sure whether it was 'performance or motivation'. The employer acknowledged that one or two staff with serious learning issues used up most of the time.

4.2   Specific changes—company perspective

Managers were able to identify recent and relatively small-scale benefits and some outcomes from programmes, which is appropriate given that the programmes had only been completed recently. In companies where programmes have been running for a number of years, managers tended to make general comments about longer-term gains.

Only two managers referred to changes in Key Performance Indicators when asked what specific changes had occurred in their company due to the influence of the programme. In the first, Lost Time Injuries and Total Injury Rates were both tracking downwards from a flat line. Incident reporting had gone up, meaning more hazards could be identified and managed. Also, production had remained at the same level despite there being one person short every hour of the working day for three days per week while they went for tutoring. That manager had expected production to dip.

The other company credited the programme as having a significant influence on the reduction in Lost Time Injuries and Medical Treatment Injuries. The output per man hours had increased and IFOTIS (In Full, On Time, In Specification) targets "*were better than they had ever been",* although this could not be attributed solely to the LLN programme. This came from a company where team leaders had initially been reluctant to free employees up to take part.

Other managers were quite satisfied with 'softer' evidence of results from the programme, and gave more anecdotal evidence of changes and benefits to their company. Eighteen of the 20 respondents interviewed were able to identify specific changes in workplace communication and literacy behaviours that they attributed to the programmes. Examples included:

Health and safety, quality and compliance

> *"…an immediate reduction on re-working … better quality paper work. Now we just do random audits on completed work rather than reviewing everything before hand. One guy is emailing and quoting independently."*

> *"They speak up at meetings and they learn faster … they have got onto the new computer system faster [than expected]."*

> *"Their participation in health and safety initiatives and discussion—they express their ideas better."*

> *"They fill in forms better."*

> *"We used to struggle to get compliance. Now we can train them to understand why."*

> *"There is an improvement with emailing and writing. They are actually completing the task and complying, not just ticking the box."*

Changing communication demands

A staff member was able to step into a supervisory role when a team leader was unexpectedly absent.

> *"He stepped in seamlessly. He wouldn't have been able to do that before the course."*

Enhanced communication skills had a positive impact on other company restructuring initiatives:

> *"There has been a huge lift up, a huge change on the floor. We have totally refurbished the factory and production processes. We couldn't have done this. People are taking ownership and responsibility for their own job. When we implement a new policy it sticks."*

That emphasis on the LLN programme underpinning changes was reinforced elsewhere:

> "*We couldn't have had teams working on improvement unless we had the literacy to make it happen."*

> *"Their plan reading has improved, they can use computers."*

> *"Our leading hands are saying communication is much better."*

> *"One person who had the greatest literacy needs has gone on to do a night course and now operates a computer at work."*

Investing in people

Several managers spoke of indirect benefits like improved morale:

> "*There is more goodwill in the company.*"

They also spoke of direct benefits like participation in health and safety training, quality conversations and more advanced training:

> *"One example is a man who at the beginning of the year could not spell his daughter's name. By the end of six months he had got through all the on-job requirements for the Certificate under his own steam."*

> *"One person has passed a traffic management certificate at the highest level. He wouldn't have had the confidence to even attempt that before the course."*

Several talked of the social benefits to learners and their families:

> *"They were too scared to go to the bank."*

> *"They have stepped up through skills-based pay more rapidly."*

> *"We recognised that staff on the floor had far more ability than we realised. One had been a teacher overseas so we are using him as a trainer. Another had been a watchmaker—he had just the eye for detail that made him good for quality."*

Many of these comments relate to greater confidence.

Even the manager who rated the programme as least successful thought that employees were capable of understanding more of what they read.

4.3   Specific changes—providers' perspective

Providers said that companies saw all sorts of changes including:
- improved time-keeping
- reduced absences and errors
- reduced scrap and wastage
- things being 'right first time'
- staff having an interest in their jobs and being able to explain what was not working properly
- leave forms being filled in correctly that saved supervisors time.

Companies often described improvements in communication and their impacts on production. These are examples of what managers told providers:
- Particular employees were much more talkative: *"He used to be quiet, never said a thing – now we can't shut him up, always asking questions."*
- The ability to explain things clearly was important for saving time: *"Telling an engineer what a problem was so he came down to the line with the right parts, so the line gets back up more quickly. Before [the programme] he couldn't explain what had happened."*
- Improved intergenerational communication—older employees understanding why the way they spoke to younger ones wasn't working.
- Clarity of instruction: "*They didn't realise that the reasons why things weren't done was that the other guys couldn't hear them, it's such a noisy place."*
- Increased use of radios to communicate because employees were more confident.

Providers did report on specific LLN gain by learners but it is impossible to analyse meaningfully because of variations in the assessment tools used, the differences in which skills were focused on and the range of approaches used in reporting.

4.4   Impact on other aspects of company business

A few managers identified changes in company processes and training systems that had come about as a result of understanding more about LLN in their workplace.

> *"We have changed a lot of training documents—we've simplified the language."*

> "*We have changed our Standard Operating Procedures a lot. They used to be a piece of paper. We reformatted them with photos and flow diagrams. The staff do it—the leading hands lead that process. We would not have had the confidence before."*

The latter company has introduced other quality systems that are managed by the teams; they too require literacy.

Key factors in successful programmes

Managers and providers identified similar factors required for programmes to be successful:

- making the programme a priority
- quality teaching by a tutor who 'fits' the company
- programmes that met company needs
- sound company-provider relationships.

5.1 Making it a priority and getting senior management buy-in

Respondents (both company managers and providers) consistently reported that making the programme an organisational priority was the key to success.

> *"Workplaces are always having to deal with crises—you have to make training the priority."*

Making the programme a priority was more likely to result in high levels of attendance from employees, as already discussed.

> *"People are not pulled out of training for a crisis—the team is expected to manage around them [in their absence]."*

Providers thought programmes became a priority when there was buy-in from senior managers. Conversely, a lack of commitment or overt buy-in from senior management was usually an issue in programmes that did not run smoothly. If an HR manager was the main driver but she or he did not have enough sway in the company, or the senior manager had not convinced other staff of the value of the programme, providers believed that programmes would have attendance issues. Providers also identified the importance of coordination between key players in the company so everyone was kept up to date about the programme and how it related to production schedules.

Providers reported that some managers saw LLN only as a strategy to fix immediate operational issues. Managers who had more of a long term and strategic commitment to training were more likely to think that goals could be achieved by upskilling employees in LLN.

One provider thought that when LLN programmes were running at the same time as other major in-house training systems it was more difficult to sustain them—LLN needed to be a major focus, at least in the first instance.

5.2 Quality teaching

The calibre of the teacher was identified as the second important factor in successful (and less successful) programmes by the majority of companies and providers. Tutors had to have more than technical competence at teaching LLN—they had to fit the company culture and fit in with employees. The key characteristics of a successful tutor were enthusiasm and being positive about learning, a willingness to be flexible and work different hours to cope with sudden production demands or changes in shifts and the ability to effectively teach employees with a range of learning needs.

Most of the negative comments made in the interviews by companies related to tutors. In three cases, the providers found replacements for unsatisfactory tutors and the programmes proceeded successfully. One company reported that a tutor was not enthusiastic enough to engender interest among the employees; another thought the tutor had become apathetic and took the programme for granted. One tutor was perceived as patronising, not treating the participants as adults. One of these companies said next time they would want to be part of the tutor selection process.

5.3   Programmes that met company needs

Some companies appeared to want a greater say in how programmes ran than others, but all of those interviewed wanted the programme to focus on their immediate needs. Almost all supplied the provider with company documentation and examples as the basis for the programme curriculum.

> *"We combined literacy training with training about our internal processes. We started with safety."*

> *"[Provider] targets programmes at the workplace. They pulled out our documentation, our job practices to be the basis of the curriculum."*

For some employers it was important that the LLN programme linked to national qualifications and credit achievement, but this was not necessarily a key driver for many employers. For some providers, unit standard credits were a way of showing quantifiable results to both the company and the employees.

Contextualising programme materials for each context is a considerable amount of work for providers, including when they have to adapt programmes and resources for different departments within the same company.

5.4   Sound company-provider relationships

Nineteen of the twenty companies rated the providers as 'excellent' or 'good'. The relationship between company and provider was important and most companies were very loyal to their providers: *"It's a collaboration. We set the aims, the provider delivered."*

The least satisfied company rated their provider as 'adequate', saying they had been *"pushy and didn't recognise that we had a business to run and couldn't afford to give up people".* On the other hand, the provider involved did not think the company had made the programme a priority which was why attendance was poor.

An important component of that relationship was how the provider kept the company informed. Providers regularly reported to companies on progress through weekly or fortnightly meetings, and usually provided companies with written monthly reports. Companies valued this regular feedback on employees' progress: "*It's important that we are kept informed for [company] comfort levels."*

Most companies gave the impression that compliance reporting to TEC was of limited value to them. Although they were shown copies of provider reports, these were not a priority and very few companies discussed specific LLN outcomes or unit standards achieved.

While providers had templates and frameworks within which to report, some providers have developed their own way of reporting to companies and used the same approach for the TEC, covering the same information but presenting it differently. Providers reported with varying degrees of depth. A number commented that they did not know how much depth of reporting was expected of them, or how monitoring data was used, since they did not get feedback on what they submitted. Several said that when the Workplace Literacy Fund was first established in 2005 they were told to submit minimal documentation but since then more complete monitoring data has been requested.

A number of providers, particularly those running multiple programmes, thought the organisational costs of such reporting were under-recognised. One thought there should be at least a week's time allocated at the start and end of the programme to cover tutors' workloads.

5.5   When the success factors don't come together

A number of factors have to come together if a programme is to run smoothly and be successful. The example below shows what happens when this does not happen.

An example of a programme that had ongoing issues

The provider of this programme is well established, and focuses primarily on Youth Training and Training Opportunities programmes, with a particular interest in the transport sector.

The provider delivered their first workplace programme to a company over 14 months. The programme was focused on customer service. Specific skills included reading routes, vehicle logs, talking to customers, cashing up at the end of the day. A significant number of the employees had ESOL issues.

The provider recruited someone they thought was an appropriately skilled teacher with tertiary qualifications in linguistics, knowledge of the transport sector and some adult teaching experience. But the tutor had difficulty building rapport with learners from this particular sector.

The chief executive supported the project and was the programme champion, but did not sell it well to employees. He called it a workplace literacy programme, rather than an opportunity to improve skills, and the provider thought this was one reason for the ongoing resistance they encountered. There was always an issue with attendance.

A second factor was that the provider did not do a sufficiently detailed needs analysis at the start, and therefore did not pitch the resources and learning materials closely enough to the needs of the company. The needs analysis only sampled a few employees, so the provider did not have good evidence on what everyone's needs were, and was therefore unable to explain the personal benefits of the programme to the employees. In hindsight, the provider needed to be able to give employees practical examples of what they would get out of it. For example, "This programme can help up you cash up faster at night and get away earlier."

Nor did the provider take time at the beginning to work out measures they could use to show bottom-line improvements. When the programme ended, the lack of bottom-line evidence meant the company did not roll it over.

Key points: The importance of spending more time at the start on a detailed needs analysis, including assessing all employees. If the provider was to run a similar programme, they would plan more carefully to make sure the programme and all resources met the company's needs and negotiate a set of explicit measures of success with the company at the start of the programme.

6 Capacity and capability issues

The government wishes to increase the engagement of companies with workplace literacy and the volume of programmes. Companies were asked if they would consider running larger programmes and providers were asked if they could increase the volume of programmes.

6.1 The capacity of companies to increase programme size

Most companies struggled to ensure up to 20 employees could participate regularly and only a few companies said they had the capacity to release more staff and make their programme bigger. Rather than running larger programmes, companies ran programmes over a number of years to get employees through who had LLN needs.

> *"It would be difficult to release more people at the same time. It'd be difficult to increase the operational expenditure to get cover for them."*

One company who employed seasonal workers said they could run a bigger programme if there was no Permanent Resident requirement.

One company wanted *"a better grading system and assessment process so we can know exactly where they are. That would help if you were trying to make the programme larger."*

6.2 The capacity of providers to increase programme size

Similarly, most providers said that a programme with 20 learners was the optimum; larger ones would be substantially more challenging, particularly because of the additional programme management and coordination required. The additional complexity that came with larger programmes included:
- usually more than one production line was involved
- sometimes production lines had different shift patterns which meant tutors had to be available at a variety of times
- when more than one tutor was working there had to be liaison between them to keep their tutoring programme coordinated, which incurred additional costs
- making sure there were substitute employees to fill sessions took a great deal of organisational time
- additional reporting and paperwork which did not diminish with increased scale.

6.3 Growing demand

Providers had mixed views about whether demand for workplace literacy programmes was increasing. Most providers reported increasing interest in workplace literacy generally, with several commenting they were getting spontaneous calls about it, which was unusual. Others said that companies seemed to know more about literacy when the provider made contact, but that calls did not necessarily translate into programmes.

A few thought the demand for programmes was static. They were waiting to see if efforts from the Upskilling initiative would result in more interest locally. In areas with low unemployment (often accompanied by an influx of non-English speaking migrants seeking work), providers said employers might be more willing to look at LLN programmes because they had to look to internal staff for increased productivity.

Some providers expressed concern that the closing of local TEC offices would lead to less workplace literacy business. TEC staff in some areas had been active both in referring companies to providers and in supporting providers in marketing and applying for funding. In some cases, the local TEC also supported local professional development programmes and capability development for tutors and providers. This was no longer happening which may affect providers' ability to train and retain appropriately qualified staff.

6.4   Finding and retaining appropriately skilled LLN tutoring staff

Providers reported that tutors have a range of qualifications including teaching certificates, and degrees and specific qualifications in ESOL and/or LLN. Providers (and employers) were clear that the professional competence and personal qualities of tutors could make or break programmes. The skills set providers looked for included:

* excellent LLN teaching skills, including ESOL specialist qualifications for some programmes
* the ability to build rapport with employees, supervisors and managers
* the ability to make connections between the learner's individual needs and the company's goals so that both parties benefit
* experience in the workplace—some companies were very noisy or had workplace cultures that were more sexist and racist than tutors had dealt with in educational environments
* familiarity with unit standards and trained as an assessor credited with Unit Standard 4098.

Providers had mixed experiences trying to recruit staff, because of a lack of suitably trained people in some areas, the particular skill mix required (particularly the 'fit' with the company and appropriate adult teaching experience), and in some cases the conditions they were able to offer. Some employ a number of tutors working part-time on short-term contracts related to a particular programme. Others employ fewer tutors but are more likely to have them work more intensively.

This review did not survey pay rates specifically but providers and tutors spoke with some concern about the pay rates and lack of sustained income. Hourly rates for tutors varied—rates of $20, $26, $35, $45, $50 and $75 per hour were mentioned. Providers mentioned full-time pay rates of $32,000, $40,000 and $50,000. For comparison, $40,000 is approximately the rate for a first year teacher in a school (who also gets 12 weeks holiday per year, compared to the four weeks that a private training establishment can offer). Some of the tutors recruited into workplace literacy are experienced teachers who could be earning $65,000 in schools.

One provider had just lost three experienced tutors who were dissatisfied with the short-term nature of their employment contracts. Their skills had been developed through both internal and external professional development for three years, and the loss of their skills and the costs of training their replacements was a blow to the provider.

One experienced tutor working for another provider described the sector as exploitative, with tutors expected to do unpaid work to help recruit companies, be flexible to accommodate the early starts or late finishes of some shifts, and yet get inadequate recognition and pay for the extensive preparation required for quality tutoring. This tutor

reported that working [as a free lance workplace literacy tutor] had been "*financially a disaster*". With the lack of security of income that comes from tutoring programme by programme this skilled person is considering taking a job in a local supermarket, to get a low but regular wage with standard hours.

Providers believe the funding formula is based on a model of an individual tutor working in relative isolation in a programme, requiring a few resources and meeting other tutors for occasional networking. In an organisation where there is more than one programme running, there are costs related to tutors meeting and working together to share resources, develop quality systems and participating in PD that are not covered.

6.5   Costs of programmes and the costing model

The programme costing model generated considerable comments from half the providers, who said they were struggling with the low rate of return from workplace literacy programmes. Those for whom workplace literacy was only one component of their business had differing abilities to subsidise programmes. Some said they could not afford to underwrite workplace literacy, while others said they could do so for a short time but that programmes had to generate a profit, albeit modest, quite soon.

One of the newer providers had taken two years to break even while setting up. Another experienced specialist provider said that the workplace literacy funding model is inadequate, and that their organisation struggles to pay reasonable pay rates, cope with the inconsistent funding stream (as programmes take so long to recruit) and remain viable.

We were not able to verify information about funding from final reports, but the application forms for the providers reviewed showed that providers' rates varied from $45 to $78 per hour (including GST). Typically, recent applications were charging $70 per hour.

The funding guidelines allow for each hour of provision to be accompanied by a maximum of 50 percent additional hours for preparation and reporting time. Some providers find that it is more financially advantageous to run one-to-one programmes than groups. While in at least one case, the provider had negotiated to get an hour's preparation for each hour of tuition in groups, the provider believed it was still insufficient because reporting on all individuals was still required.

> *"We need to run a big one-to-one programme to offset the costs of running groups."*

The funding guidelines allow for a maximum administration/overheads component of 25 percent. For smaller programmes this has been reduced to 20 percent, but providers argue that they have to put the same sort of administration time into smaller programmes.

Administration covers record-keeping, and higher-level expenses such as ongoing contact and reporting to companies, including high-level reporting to senior managers, and problem-solving.

Risk areas

A number of providers talked about the financial risks they run when there is intense pressure to start programmes before funding was approved. There is particular pressure when companies want programmes to fit into company down-times or seasonal production fluctuations but the funding is not approved in time.

When there is poor attendance by employees there may be costs to providers—tutors' fees and travel, for example. Some providers put on additional sessions to make sure learners got their allocated number of hours but others did not necessarily do that. If additional sessions were required, these could be outside the budget, despite the reasons for the extra sessions being outside the provider's control.

In one case where there was a major problem on a site, the provider delivered a three-month programme over six months, with no additional funding for the extra expenses involved. The provider concerned said they now budgeted much more generously.

A few providers said that some of the funding advice from TEC has been inconsistent For example, in one programme the development of learning materials was able to be included and yet this was declined in others. Others commented that information had become more standard as the funding guidelines matured.

One of the issues around viability is the cost of marketing that does not generate a programme, and therefore a return to the provider. Putting a lot of effort into marketing can be financially draining for small providers. The box below describes what was involved for a specialist provider in attempting to recruit and prepare for a programme that did not go ahead.

An example of the process and costs in company recruitment A

A provider described the steps required over months to negotiate with a company and made a rough calculation of costs.

Initiation of contact: receiving recommendations from a TEC representative that the company was interested in a workplace literacy programme, researching company information, meeting with TEC for an update on discussions to date and phone calls and emails to set up a meeting.

Initial meeting with company: Two staff from the provider visited the company to discuss the company needs and learn about the current and previous training culture of the company. They also discussed how the provider could contribute to a programme; described how programmes work and provided information to company representatives on what a programme for their company may look like; talking them through the funding options and process.

Post-meeting activity: The provider held in-house discussions to scope a possible programme, given the information available, received further information (on sites, numbers and departments), had discussions with a TEC representative and gathered additional information about the company, to inform the proposal stage.

Presenting a proposal: The provider prepared and presented a full proposal including: a draft outline of a programme to meet company requirements, and an analysis of the unit standards to which it would be aligned, together with full costings aligned to TEC funding models.

Post-proposal activity: This included: emails and phone calls trying to establish a meeting time with the company; continued development of a possible structure for the programme, which needed to be conducted at certain times of the year—early implementation; a final call from the company to say the programme was not going ahead because of the difficulties of implementation and costs.

This activity was estimated to cost around $4,400 plus additional expenses in calls, travel, and consumables.
 The company did not proceed for several reasons. Employees were expected to be on the job, off-site on fine days, which would make timetabling difficult. In addition, there were concerns about costs, such as the company's 15 percent contribution, made by way of payment of workers for the hours they were in programmes, as well as the costs of providing physical resources such as tutoring rooms; and the cost of company coordinators and additional staff to cover for workers on the programme.

If the programme had gone ahead, the provider believes that a range of other costs would also not have been adequately covered by WLF subsidies. They include completing the funding application; fully developing the teaching and learning programme; related phone calls, site visits and discussion with site management; and any internal training required to meet company requirements.

Discussion

The 2006 experience

The main focus of the WPL Fund is on improving employees' LLN skills rather than on increasing productivity for employers, but programmes will not happen unless employers are on board and there is a suitable provider available to deliver them. This review provides a snapshot of employers and providers who ran a WPL-funded programme in 2006. It highlights the characteristics of the employers who have chosen to participate, the issues that led to them to consider a programme and the benefits they gained. It also describes the challenges employers and providers face in engaging in workplace literacy.

Characteristics of companies

Because this has been a retrospective study, it focuses on employers who are already aware of workplace literacy issues and have done something about them. Some have had a long-standing interest in this area but almost half were engaging for the first time. If they were put in the context of Schick's (2005) model of New Zealand companies engagement with LLN, they would fall within the 12 percent of businesses that have already invested in literacy training.

The companies who ran WPLF programmes in 2006 were overwhelmingly from the manufacturing and service sectors and were located in the main manufacturing regions—Auckland, Canterbury and the Bay of Plenty. The relative lack of demand from other sectors and regions is a concern. It is unclear whether this is due to a lack of awareness of the need for such training, the lack of appropriate providers or both.

Most companies were relatively large by New Zealand standards, that is, they had over 100 employees. The predominance of larger companies among those with an interest in LLN programmes has been identified in earlier research (Gray, 2006; Benseman and Sutton, 2007). This occurs partly because they are more likely than smaller companies to have a dedicated HR or training manager who is able to take a broader view of training needs, and partly because many are in the manufacturing sector which traditionally has a high proportion of staff with low educational achievement and/or limited English. This suggests that it would be beneficial to actively target companies in other industry sectors and smaller companies with information about the value of workplace literacy programmes.

The larger participating companies had a training manager, senior manager or chief executive who was committed to the programme and acted as its champion within the company. While this gave their programme impetus and standing, it also meant that the programme could be at risk if the champion left the company. Getting broader buy-in from senior management as a whole was a more sustainable strategy. Achieving this support was easier where the programme was closely linked to the company's immediate needs and where gains in employees' performance were quickly achieved. Some training managers chose to begin with a pilot programme for a particular group of employees as a way to minimise disruption to production and to demonstrate the benefits of an LLN programme to the company.

Issues that lead companies to take part

The issues that drove the companies to participate were exactly those that have been identified in other research, both in New Zealand and overseas (Skill New Zealand, 2002; Schick, 2005; Gray, 2006; Benseman and Sutton, 2007). They include:
- health and safety requirements
- the need to maintain quality standards and meet regulatory requirements
- high error rates
- poor documentation
- poor communication and lack of participation in team meetings
- the introduction of new technologies.

A particularly strong driver for the current group of companies was the need to develop employees from non-English speaking backgrounds. Poor English limited employees' understanding of both the immediate task and the bigger picture. It affected their ability to receive or give instructions, follow written manuals or complete documentation accurately. The ESOL group tends to be 'bi-polar' in that it includes people with high levels of literacy in their first language but limited English, and those with both low LLN and limited English. Both types of employees were represented in the programmes reviewed. This dimension was just one of the complexities that influenced how programmes were delivered.

Characteristics of learners

Employers typically called for volunteers and presented training as an opportunity for employees; and typically there were few problems filling programmes. Because of the small number of final reports available and the lack of summary reporting, it was not possible to provide much reliable information on the learners. Participants were largely male. The available information on ethnicity indicated that relatively high proportions of Pacific employees took part in programmes, but there were also significant numbers of other migrant groups, including people from Asia, Africa, and Eastern Europe.

Where there were difficulties in recruiting, it was usually with New Zealand-born people with low educational achievement, both Pakeha and Māori, and some Pacific people who either felt embarrassed or could not see why they needed to attend. Regardless of who the learners were, successful programmes overcame resistance—success bred success. Developing a programme for a diverse workforce was a challenge for both employers and providers.

The ability to participate could also be limited by external factors such as programmes only being able to offer LLN training to seasonal workers who have Permanent Resident status.

Finding a provider

Where employers did identify a problem, they often found a provider by word of mouth or through personal contacts. Some had already worked with their provider in another training capacity. The lack of any formal or coordinated way to identify a suitable provider may put off some companies who are considering investing in LLN.

Programme approaches

It is clear that there is no one right way to run an LLN programme, because a programme needs to be geared to meet the needs of specific companies. One-to-one and group tuition both have a place. This was evident among the programmes reviewed, with approximately half providing one-to-one tuition and the other half providing a mix of one-to-one and groups. In the absence of standardised reporting of learner outcomes, and with a limited number of final reports, we were not able to make a judgment about the benefits of one model over another. The difficulty in running groups described by some of the companies and providers in this sample suggests mixed one-to-one and small group provision is likely to be the most realistic approach.

Delivery models also need to reflect both company and learner needs. They need to work around employees being off-site or on shift work, and around peak demand and seasonal work and adapt to the needs of learners as well as company constraints. The review indicated that most tutors were flexible and responsive as their programmes progressed.

Programme delivery clearly works best as a partnership between the various stakeholders and when there is a good relationship between provider and employer. From the small sample reviewed, both in-house and external provision appeared to be successful.

Programme goals and outcomes

While all companies had issues they wanted to address, they did not usually formulate these into explicit goals for a programme. Providers translated issues into programme goals when they prepared an application for funding.

Overwhelmingly, employers were positive about the benefits of LLN programmes and saw the programmes as value for money. They were able to identify specific changes in behaviour and/or improved attitudes. Changes occurred in health and safety, quality and compliance. Communication improved and participation in company activities increased. Employers' satisfaction was also evident in the number of roll-over and extension programmes they applied for.

Few companies looked for or recorded hard data on outcomes, which is borne out in most international workplace literacy studies (Gray, 2006). The feedback from supervisors and team leaders and the information they got from providers and tutors on a regular basis, including details of any unit standards achieved, was seen by companies as sufficient evidence of the success of the programme. Some managers said they saw (and presumably signed off on) reports from their provider to TEC,but most appeared quite disinterested in it.

Although the main focus of this review was to consider the impacts of programmes for employers, we also considered outcomes for learners. Unfortunately, the learner data was not conducive to analysis, primarily because the monitoring reports data was not available or summarised. The reports were also not cumulative—in a year-long programme, achievements were reported four times, changing over time as employees worked on different skills.

Providers suggested that achievements tended to be higher for those with less severe LLN needs. Those with a higher level of need typically required more input than the average programme could provide. Some companies catered for this through an extension or follow up programme.

A number of employers sought to enhance LLN gains by revising their operating procedures, manuals and training systems. It could be helpful for Government to explore ways to assist companies to review their documentation alongside programmes for LLN skill development.

Looking ahead

Increasing demand from employers

While there was some evidence of an increase in interest by employers, providers believe that demand for LLN programmes is still largely driven by them actively seeking out new clients. Given the costs involved in such marketing and the relatively low take up rate, it is not surprising that providers are both cautious in what they propose and more likely to target larger companies with established training programmes and potential for growth because of the composition of their staff.

Multiple strategies (particularly through a range of media) are needed to keep workplace literacy in front of employers. Different strategies are needed to cater for differences in company size, sector, workforce composition and location. Companies also wanted clearer information on what subsidies are available so that they could assess what level of provision their own budget might buy.

Provider capacity and development

Providers play a vital role in making connections between the issues employers are dealing with and LLN. While employers are concerned about concrete issues, providers are able to point to the literacy, language and numeracy elements that often underpin the problems. It was clear that providers need to understand the business benefits to be gained from LLN, and know how to sell programmes to companies if they are to be successful in promoting programmes, so support for their marketing endeavors is important. Resources such as case studies and examples of successful programmes, as well as research findings on the benefits companies get from LLN programmes, will help providers make this argument important.

Feedback from companies indicated that the quality of provision was generally good but inappropriate tutors were an issue in a number of programmes. Ensuring there is ongoing free professional development would help maintain and develop quality.

The comments made by providers illustrate the complexities of developing the organisational capacity of providers. The recruitment of companies takes time and incurs costs to providers that may not be recouped if programmes do not go ahead. Appropriate quality staff are not readily available, the recruitment and development of suitable staff takes time and providers may need to bear the cost of investing in professional development ahead of programmes.

Many of the providers talked of how exciting workplace literacy was as a sector and how enthusiastic they felt about the future, but this has to be set alongside concerns about

the financial viability of many of the providers, the small scale of provision overall, and the length of time it seems to take to bring providers on stream. Workbase has done development with providers for a number of years. Their experience confirms these views (Benseman and Sutton, 2007) and highlights the need for a wider range of innovative strategies to support providers.

The supply of providers in the field of workplace literacy is characterised by a split between a few larger providers in Auckland and Christchurch and other smaller ones in across the country. The providers have different origins, and as a result have different business drivers and strengths. For example, four organisations were established as specialist workplace literacy providers. Three providers started as poupou/member schemes of Literacy Aotearoa and have developed workplace literacy as an adjunct to their community services. Four organisations run Training Opportunities and Youth Training programmes as well as workplace literacy. One provider is in the process of re-branding from a language school to demonstrate its new direction of foundation skills and workplace literacy. One has delivered industry training for a number of years. Another has developed workplace literacy delivery as a service within a broader regional economic development consultancy.

The backgrounds of providers influence where their strengths are as they combine the need for specialist LLN expertise and the ability to understand and adapt to the company environment. Despite their diversity and the challenges, all these providers have been able to recruit companies and deliver successful programmes. Nevertheless, it is a stretch for smaller providers to do all the tasks required in workplace literacy: gain clients, design and deliver programmes; keep in touch with production issues that affect delivery and attendance; do the administration and reporting; and plan ahead. For most, the work is new and challenging and not particularly cost-effective.

In the 2006 sample, no polytechnics were involved and it appears there are few incentives for polytechnics to offer workplace literacy. The synthesis of New Zealand research (Benseman and Sutton, 2007) suggests that it is easier and more lucrative for polytechnics to run classes of learners on campus, using a pre-determined curriculum and accessing student component funding, than to run an off-site programme with a customised curriculum involving only a small number of learners and where the tutor may have to work flexible hours. It is unclear whether the new investment guidelines and increased expectations on polytechnics to have a major regional role in foundation learning will have an impact on their involvement.

Viability

It is possible for providers to apply for cluster funding for five learners, so they can work with individual employees or small groups across a number of companies, which the interviews indicated was not an efficient number. Putting together cluster applications takes more time for no greater financial return, and many of the smaller providers do not have sufficient margins to enable them to absorb these costs. Raising the minimum requirements (for example, to 10 or 15) would make it easier for providers and companies to meet the needs of smaller business and less urban areas, and would reduce the need for frequent repetitive funding applications.

The low rate of conversion from provider contact to programmes and the lack of new demand have made on-going viability an issue for both existing providers and any

interested training businesses wanting to break into a new area. The funding model does not include provision for marketing or professional development of staff. Delays in approvals make it difficult for providers to sustain a tutor workforce so demands for professional development are higher than with a stable workforce. The provider network does not appear particularly robust as yet.

Industry Training Organisations

This review suggests that there is still room to develop the capacity of ITOs to act as information sources about workplace literacy and appropriate providers. Few employers or providers mentioned ITOs in the interviews. Some ITOs are involved in projects to develop their capacity to engage with LLN supported by Workbase; others are involved in the TEC-funded ITO pilots which involve employers. These projects were not represented in this review.

Funding process

Most providers found the application processes for the needs analysis and then for the programme quite straightforward. Many had used their local TEC literacy advisers as sounding boards when filling in their forms in the past and were not sure how the perceived anonymity of the new TEC service centre arrangement would meet any need for support and guidance that may arise. Some acknowledged that as funding guidelines had become more established, and they had become more experienced, they had asked for less advice. The experience of existing providers suggests any new providers will need information and advice over some period of time from both the 'just-in-time' coaching service provided by Workbase and the TEC.

Needs analyses

Needs analyses are recognised as a good practice pedagogically but it is unclear whether they are essential for every company. For companies that are hesitant about committing to a full programme, a short process to identify the needs of a small number of employees might be sufficient as a starting point. In some instances, companies and providers used the findings from the needs analysis at one site as the evidence for needs at another—without a detailed individual breakdown of skills.

It was not clear from the reports how much the data gathered for needs analyses was used to design the programme. Needs analyses are typically done in two stages— company level first; individual level second. The application form conflates those two stages. It would be helpful if this issue were addressed.

Given the high proportion of needs analyses that turn into programmes and the potential risk of losing companies, it could be beneficial to combine the needs analysis and programme delivery into one funding application. The money could be drawn down at different stages.

Timing

The expected turn-around of funding applications submitted to the TEC is reported to have become markedly slower since the fund was implemented, but there is no evidence that the selection panel is seeking additional information. Once companies make the decision to commit to a programme, they expect it to get started very quickly. There is a risk that they may move on to other options if the delay is too great. If the two-stage

process remains and time delays occur at each stage, the risk is correspondingly greater.

Documentation and reporting

This review was asked to investigate outcomes for companies, which are of particular interest to the Department of Labour. The TEC, however, is most interested in individual learner gain and programme reports focus on the individuals. In fact, providers can and often do complete their reports without reporting any information on outcomes for the company.

TEC has provided several templates for reporting. The reports we saw used these templates in different ways and the few final reports we saw did not use the summary template which provides ethnicity categories; and has space for recording the proportion of learners NESB and gender of participants. It would be helpful if TEC reinforced to providers that they need to complete a summary sheet that can (and will) be aggregated.

Providers used the Excel spreadsheet for learner reporting, often on a quarterly basis and without providing a final summarised result sheet. Therefore, there was no easy way to get gender, ethnicity or first language data for example. In addition, they presented a lot of text commentary on individual learner progress and/or recorded unit standard achievement.

One aim of the spreadsheet is to collect a 'before and after' score for each learner, but this raises a number of issues. First, companies are less interested in individual learner gain and much more interested in how performance changes on the job. Companies want programmes that are contextualised to their own requirements and goals. Providers endeavour to meet that demand, which makes it difficult to establish standardised outcome reporting. Secondly, the reports were not presented cumulatively—an employee's achievements change between quarters and what they achieve cumulatively is not well represented in the final report. Also, changes in scores in one programme may therefore not be at all comparable to an apparently similar rate of change in another programme which may have had a different focus and delivery model. The ability to record before and after testing for learner gain on one hour a week provision is also debatable. Further discussion may be needed on what the learner score is intended to represent and how TEC intends to use it for reporting.

One potential solution to this problem is to consider the software that Workbase has developed to record a range of outcomes and specific LLN gains as well as company goals. It would be worth exploring to see whether this approach could be adopted for use by other providers.

The review revealed a great deal of over-reporting. For example, in one case the needs analysis, interim and final reporting generated five documents on each learner in an average-sized programme. The review found no evidence of any analysis of the reporting by TEC. If providers knew more about how the information they provided was to be used and interpreted, they may be more committed to providing it in an appropriate (and shorter) form.

Conclusion

The findings of this review are similar to those recorded in earlier national and international research into LLN in the workplace (Gray 2006; Benseman and Sutton 2007). The review showed that:

- Companies of all sizes have issues with compliance, quality, health and safety, development and communication that have an LLN component.
- Many companies have a diverse workforce with both ESOL and literacy needs.
- Companies need more information and support to understand LLN issues in the workplace, how they can be addressed and what the benefits of such action are likely to be.
- Companies need to be able to find a suitable provider easily.
- Companies and providers need to jointly develop a programme that works for the company, the learners and the provider and commit to pursuing it.
- There was no evidence that one programme model was more effective than another; any model of delivery needs to suit the learners and the company involved.
- Companies can contribute to LLN gain and improved compliance and productivity by reviewing and revising training documents, standard operating procedures and health and safety information.
- The needs analysis and programme provision need to be seen as two stages in a single process rather than as separate stages with separate funding processes.
- Both companies and providers have limited capacity to increase programme size; companies run programmes over a number of years to put large numbers of employees through
- Quality teaching is essential if programmes are to be successful. Smaller providers and those in more isolated areas find it difficult to find and retain appropriately skilled staff.
- Providers take time to develop workplace literacy capacity and the network of providers that exists currently is not spread evenly around the country and is not particularly robust as yet.
- The rate of return from workplace literacy programmes is too low to sustain providers in areas with low demand. It is also too low to support provider development.

The review found a considerable amount of goodwill in relation to workplace literacy. Employers were enthusiastic and valued the contribution providers had made. With more support, the potential for expansion and development is considerable.

References

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Skill New Zealand. (2002). *Workplace Literacy Fund interim evaluation report.* Wellington: Skill New Zealand.

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Interview schedules

Management/supervisor interview schedule for Workplace Literacy Fund

Name: Company:
Role: Date of interview:
Contact phone: Best time to contact:
Email:

Details of company (from TEC reports)

Industry: Location:

No. of employees:

I'm interested in hearing about the programme that was funded by the TEC's Workplace Literacy Fund etc. etc.

Application
1. Were you involved in the application for the fund?   Yes/no

2. What prompted your company to apply for the Fund? (perception of what the fund is for)

3. What were the specific [literacy] issues that you had at that time? [if not raised in previous question]

4. Have you had literacy programmes in your company before? (details)

Description of programme

5. How long did it run? (total number of weeks X hours per week = contact hours)

6. Can you tell me about what the programme covered? (i.e. details about content)

7. And how was it offered? (where, when etc.)

8. Who taught the programme? (details, name etc.)

9. How did you find/recruit them?

10. Why did you choose them to deliver the programme?

Outcomes

11. What did your company hope to get out of it at the start?

12. How well did you achieve that?

Totally Very well Reasonably Not very well Not at all

13. How many of your workers started in the programme at the beginning?

14. How did you 'sell' it to them at the beginning?

15. How many completed the programme?

16. Do you have any data on who they were? (socio-demographic details)

17. Were there any unit standards involved? (if so, which and how many completed them)

Evaluation of programme

18. Can you tell me about specific strengths and weaknesses of the programme from your perspective?

19. These programme often lead to changes occurring in the workplace. Did any specific things that you believe happened in that department/your company as a result of the programme? (if so, do you have any documentation of this?)

20. Were there any specific things that you believe helped the programme work?

21. What about things that hindered it?

22. What would you do differently if you did it again?

23. [If not mentioned already] How do you rate the tutor/provider who taught the programme?
Excellent Very good Adequate Poor Very poor

24. What were the main things that you learnt as a company from running this programme?

25. What have you done (plan to do) about literacy since the programme finished?

Other training

26. Can you explain to me how training happens in your company? (training officer, use of external trainers, quals etc.)

27. Any other comments?

Provider/tutor interview schedule for Workplace Literacy Fund

Name: Company:
Role: Date of interview:
Contact phone: Best time to contact:
Email:

I'm interested in hearing about the programme that was funded by the TEC's Workplace Literacy Fund etc. etc.

1. How did you get involved in the programme at XX?

2. What services did you provide for this company? (needs analysis/teaching etc.)

3. What did you understand to be the main aims of the programme?

4. How well do you think the programme achieved those aims?
   Totally   Very well   Reasonably   Not very well   Not at all

5. Can you tell me the details of how the programme was run? (where, when etc.)

6. How many hours of direct teaching (on average) did the learners get?

7. Were there unit standards covered in the programme?

8. What were the main literacy issues you covered?

9. What were the main challenges for you in running the programme? (both admin and as a teacher)

10. How well did the company support the programme? (details)

11. What sorts of changes did you see that happened as a result of the programme? (both in terms of literacy and workplace practices)

12. What were the key things that <u>helped</u> the programme run?

13. And what <u>hindered</u> it?

14. If you ran the programme again, what would you do differently? Why?

15. Do you think that the company will run literacy programmes again in the future? (if yes, what etc; if no, why not)

16. What general advice would you offer for other workplace programmes? (teachers/managers)

17. Any other comments?