

Public Paper

Teamwork & Communication Cross Sector Project

PwC's Skills for
Australia
*Teamwork &
Communication Cross
Sector Project*
September 2017

Foreword

Teamwork and communication skills are essential skills required for workers in almost every industry. Vocational education and training (VET) has responded to the growing importance of these skills through the development of industry-specific teamwork and communication training products. Over time, this has resulted in considerable overlap and duplication in training, with many similarities between existing units of competency in different training packages.

The Australian Industry and Skills Committee (AISC) has taken the opportunity to strategically address common skills needs – current and future – across multiple industries through eight cross sector projects. These eight common skills areas have been identified by various Industry Reference Committees (IRCs) in their Industry Skills Forecasts and Proposed Schedules of Work, which set out the emerging industry trends, skills needs and training priorities over a four year period, for a particular industry. The aim of these cross sector projects is to develop training package components that address the eight common skills needs across multiple industries in a coordinated and efficient way.

The Teamwork and Communication cross sector project, led by PwC's Skills for Australia, seeks to understand industry support for developing common teamwork and communication units that can be contextualised across various industries. This project also aims to better understand what these units might look like, how they might be delivered, and what benefits or risks need to be considered with any potential changes to existing vocational training. The Teamwork and Communication Project Reference Group (PRG), consisting of IRC members and/or subject matter experts, is responsible for the direction of this cross sector project and provide governance and make decisions based on the industry and stakeholder groups they represent. Members of the Teamwork and Communication PRG are listed below.

Table 1. Teamwork and Communication Project Reference Group members

Name	Location	Training Package	IRC Representation
Adam Cox	QLD	CPC Construction, Plumbing and Services	Construction IRC
Alison Wall	VIC	ICT Information and Communications Technology	ICT IRC
Amanda Bannister	TAS	CSC Correctional Services	Corrections IRC
Brian Appleby	WA	TLI Transport and Logistics	Rail IRC
Erica Smith	VIC	TAE Training and Education; FSK Foundation Skills	Education IRC
Gail Smith	QLD	FNS Financial Services	Financial Services IRC
Judy Forsyth	WA	AHC Agriculture, Horticulture and Conservation and Land Management	Agriculture and Production Horticulture IRC
Julie Hobbs	WA	ICP Printing and Graphic Arts	Printing and Graphic Arts IRC
Kevin Cottrill	NSW	AMP Australian Meat Processing	Meat IRC
Kim Hawkins	NT	CHC Community Services	Children's Education and Care IRC
Lise Petersen	NSW	LGA Local Government	Local Government IRC
Louise Barrett	QLD	PSP Public Sector	Public Sector IRC
Mark Harper	WA	AUR Automotive Retail, Service and	Automotive Strategic IRC

		Repair; AUM Automotive Manufacturing	
Maureen Harding	NSW	SHB Hairdressing and Beauty Services & SIR Retail Services	Wholesale, Retail and Personal Services IRC
Noel Hamey	ACT	CPP Property Services	Property Services IRC
Ron Fleming	WA	RGR Racing	Racing IRC
Shaun Ridley	WA	BSB Business Services	Business Services IRC
Tanja Conners	VIC	RII Resources and Infrastructure Industry	Civil Infrastructure IRC

This document is a synthesis of findings from a literature review and stakeholder consultations conducted during August through September 2017; our desktop research into the current and emerging industry trends, skills needs and training priorities for teamwork and/or communication skills. The literature review includes a scan of domestic and international research and practice; stakeholder consultations include input from different stakeholder types (employers, industry associations, training providers, subject matter experts, etc.) around all States/Territories in Australia from a range of industries. Insights from research and consultations will feed into a Case for Endorsement, which will present a concise, evidence-driven case to the AISC for proposed training product development. The Case for Endorsement will be developed under the steer of the Teamwork and Communication PRG, and is the ultimate deliverable due to be submitted to the AISC by end of December 2017.

Executive Summary

Teamwork and communication skills underpin virtually all of the work performed in an organisation, and are crucial factors in driving organisational success. Yet, in many industries, new hires lack the requisite skills in teamwork and communication and employers are increasingly turning to formal and informal training for their employees to help address these skills gaps.

The VET sector, in response to growing industry demand for teamwork and communication skills, has adapted by including teamwork and communication units of competency in existing VET training packages. These units are industry-specific. However, over time, this approach has resulted in duplication and overlap between teamwork and communication units across different training packages. As well, existing units are increasingly out of date as a result of the rapid technological advancements, which have changed how workers need to cooperate and communicate in the workplace.

The Australian Industry Skills Committee (AISC) has taken the opportunity to strategically address common skills needs identified in Industry Reference Committee (IRC) Industry Skills Forecasts and Proposed Schedules of Work through eight cross sector projects. The aim of these projects is to develop training package components that address those skills needs across industries in a coordinated and efficient way. The Teamwork and Communication Cross Sector Project, led by PwC's Skills for Australia, seeks to understand industry support for developing common teamwork and communication units that can be contextualised across various industries. This project also aims to better understand what these units might look like, how they might be delivered, and what benefits or risks need to be considered with potential changes to existing vocational training.

PwC's Skills for Australia conducted a literature review and extensive stakeholder consultations throughout August and September 2017. In total, we received input from around 143 stakeholders across 34 different industries, and across all states/territories. Key findings from our consultations and literature review include:

Current and future industry trends

- Flattening of team hierarchical structures, increasing diversity in teams, and emphasis on team goal alignment, all emerged as the key trends shaping teamwork skills needs in industry.
- The rise of digital communication and social media, and the increasing importance of effective communication, were repeatedly identified as key trends shaping communication skills needs in industry.
- The ability to work and communicate in virtual teams was repeatedly identified as a skillset that is increasing in importance into the future, as teams become more geographically dispersed and more organisations make use of emerging technologies to enable virtual teamwork and digital communication.

Teamwork and Communication skills needs

- Key teamwork skills most demanded by industry include: organisation and planning, working in diverse teams, decision making, and giving/receiving feedback.
- Key communication skills most demanded by industry include: oral communication, written communication, interpersonal skills (including emotional intelligence), and active listening.

Effectiveness of existing vocational training

- Employers across a wide variety of industries are experiencing difficulty in finding workers who possess sufficient teamwork and communication skills to make them work ready.

- While many training packages do possess units related to teamwork and communication skills, the content is not aligned with industry skills needs.
- Many employers are having to invest time and money training their employees in teamwork and communication skills through non-accredited pathways.

Benefits and risks of developing “common” teamwork and communication units

- Perceived benefits of implementing common units in teamwork and communication are that there will be greater consistency in vocational training, higher quality of teamwork and communication training and elimination of duplicate units.
- Perceived risks of implementing common units in teamwork and communication are that the units will be too generic, and/or too difficult to appropriately contextualise.
- Most stakeholders felt that the potential benefits of implementing duplicate units far outweigh the risks, as effective teamwork and communication training is lacking in VET.

Training at different levels

- Workers at different levels in an organisation may require different teamwork skills, (ie. an entry level worker may study more basic, ‘fundamental’ teamwork skills like collaborating with others, understanding roles and responsibilities, etc., whereas a management level worker may study more advanced teamwork skills like coaching/mentoring, and team building).
- Some advanced-level teamwork skills overlap with content in existing leadership and management qualifications.
- Workers at different levels in an organisation may require different communication skills, (ie. an entry level worker may study more basic, ‘fundamental’ teamwork skills like basic written skills, interpersonal skills, etc., whereas a management level worker may study more advanced teamwork skills like conflict resolution, and presentation skills).
- There is support from industry for delivering different levels of teamwork and communication skills across different Australian Qualifications Framework (AQF) levels.

Next Steps

Since the establishment of the Teamwork and Communication PRG on 30 June 2017, we have presented a Recommendations Report to the PRG, which describes our consultation findings and recommendations for training product development. The next stage of our project will be to draft training products for teamwork and communication for consideration and feedback by the PRG.

These draft training products will be shared with State/Territory Training Authorities (STAs) and will be open for public consultation via the Skills for Australia webpage. The final stage of our project will be to prepare a Case for Endorsement, which will present an evidence-driven case to the AISC in December 2017 for the adoption of the proposed training products.

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1 Introduction

1.1 Purpose of the Teamwork and Communication Cross Sector Project

The AISC has taken the opportunity to strategically address common skills needs identified in Industry Reference Committee (IRC) Industry Skills Forecasts and Proposed Schedules of Work through eight cross sector projects. The aim of these projects is to develop training package components that address those skills needs across industries in a coordinated and efficient way. The Teamwork and Communication cross sector project, led by PwC's Skills for Australia, is looking to understand industry support for developing common teamwork and communication units to be used across multiple industry sectors. It is expected that the outcomes of this project will lead to a significant reduction in duplication across the national training system, making the system more efficient and easier to navigate for users. It is also expected that, in some cases, the development of common units and skill sets will assist individuals to move more easily between related occupations.

Key drivers of change

This project is proposed in response to the following drivers for change, identified in desktop research and stakeholder consultations:

Drivers of change	Points to consider
Emerging trends across many industries suggest a strong need for different teamwork and/or communication skills than are currently being trained for.	Emerging trends regarding technological advancements and increased diversity require different skills in teamwork and/or communication than are currently being trained for.
There are clear teamwork and communication skills gaps in existing vocational training	Existing nationally endorsed training does not provide workers in all industries with the necessary teamwork and communication skills and knowledge they need to succeed in today's workforce. Stakeholders agree that there is difficulty hiring employees with the adequate teamwork and communication skills.
There is an opportunity for vocational training products to address these skill needs	The majority of survey respondents believe that current training only equips students "somewhat well" with teamwork and communication skills.
There is duplication in existing teamwork and/or communication units in current vocational training packages	Analysis of current training packages has identified considerable overlaps between multiple units addressing teamwork and communication needs.

1.2 Approach to the Teamwork and Communication Cross Sector Project

1.2.1 Project methodology

Our approach to the Teamwork and Communication cross sector project is a blend of literature review and stakeholder consultations, as seen in Figure 1 below.

- **Literature review:** to understand current industry trends, skills needs and training priorities for teamwork and/or communication. This involved a review of various Industry Skills Forecasts, analysis of existing units relevant to teamwork and/or communication, and desktop research of domestic and international research and practice. Key findings from the literature review are provided in Section 2 of this report.
- **Extensive multi-channel approach to stakeholder consultations:** to get input from a diverse range of stakeholders (industries, geographic locations, stakeholder groups) through a variety of different channels, including one-on-one interviews, group discussions, an online nationwide survey, and webpage updates. Key findings from the stakeholder consultations are provided in Section 3 of this report.

To maximise the breadth and depth of our stakeholder reach, we leveraged our existing PRG and IRC member network, the broader PwC network, other Skills Service Organisations (SSOs) and Department contacts, training providers, subject matter experts and thought leaders. We also consulted with second degree contacts who were referred to us through the course of this cross sector project. There were four key channels by which stakeholders could contribute to this work:

- Interviews
- Nationwide industry survey
- Focus group discussion
- PwC's Skills for Australia webpage

These are discussed further in Section 3 of this report.

Figure 1. Teamwork and Communication Cross Sector Project Approach



1.2.2 Guiding principles for training product development

Our approach to the project has been guided by our principles for training product development, which determine that our work should:

1. Be industry-led;
2. Encourage broad and transparent stakeholder consultation;
3. Respond quickly to industry skills needs and priorities;
4. Be efficient and cost-effective; and

5. Produce high quality and independently validated training products.

We have also sought to align our objectives to meet the Council of Australian Governments (COAG) Industry Skills Council principles for reforms to Training Packages:

- Remove obsolete qualifications from the system;
- Ensure that more information about industry's expectations of training delivery is available to training providers to improve their delivery and to consumers to enable more informed course choices;
- Ensure that the system better supports individuals to move easily from one related occupation to another;
- Improve the efficiency of the system by creating units that can be owned and used by multiple industry sectors; and
- Foster greater recognition of skill sets.

1.2.3 Collaborating with industry and key stakeholders

The cross sector projects present an exciting opportunity for a more innovative approach to training package development. As the lead SSO, PwC's Skills for Australia is working collaboratively with industry and key stakeholders including other Skills Service Organisations and their IRC members, Commonwealth and State/Territory departments and government representatives, training providers and technical experts and researchers.

The Teamwork and Communication PRG comprises representatives from IRCs, who have nominated to represent their training package. The role of the PRG is to provide guidance and expertise throughout the training product development process and are the decision-making authority regarding potential training product development. PwC's Skills for Australia works closely with the Teamwork and Communication PRG members.

2.0 Literature Review

2.1 Introduction

Teamwork and Communication skills underpin virtually all work performed in an organisation. Employees who possess well-developed teamwork and communication skills are highly demanded by employers, as these skills enable them to work more effectively with others, attain new skills faster, and work effectively with a broader range of people. This translates into better outcomes for the organisation.

The importance of teamwork and communication skills is widely recognised across a broad range of organisations, in practically every industry. Employers are increasingly ascribing greater value to teamwork and communication skills during the hiring process, in comparison to technical skills. Furthermore, employers are investing time and money in developing the teamwork and communication skills of their existing workforce. This section outlines the key findings from our literature review.

2.2 Domestic findings

Employers are placing increasing value on teamwork and communication skills.

Increasingly, employers are placing emphasis on hiring and retaining employees with strong leadership and communication skills.¹ Employers are also increasingly investing in building the teamwork and communication skills of their workforce, and these investments have resulted in substantial productivity gains for workers with better-developed teamwork and communication skills.²

A report by a financial services training provider notes that many employers have “placed enormous emphasis on developing [the] soft skills” of their workforce.³ Furthermore, ‘soft skills’ like teamwork and communication are increasingly viewed by employers as skills to be formally taught.⁴ Furthermore, workers who have good of teamwork and communication skills can command a higher salary.⁵

Teamwork and communication skills are becoming increasingly difficult to find.

Many employers are reporting difficulty in finding employees who possess adequate teamwork and communication skills. Some employers are also reporting that they are avoiding hiring graduates altogether because they are too often do not come equipped with sufficient teamwork and communication skills.⁶

A 2016 Bloomberg survey of 1,251 job recruiters at 547 companies across 11 key industry sectors, found that communication skills rated highly as a skill that is highly demanded by employers, but is less common among job applicants.⁷

¹ Ruth Callaghan, Australian Financial Review, 2015, “*Employers want graduates with more than just good marks*”

² Deloitte, 2017, “*Soft skills for business success*”

³ Michael Sill, Mentor Education. 2016, “*Soft Skills For Advisers And Why They Are Necessary*”

⁴ Grover J. Whitehurst, The Brookings Institution, 2016, “*Hard thinking on soft skills*”

⁵ Foundation for Young Australians, 2016, “*The New Basics*”

⁶ Tony Featherstone, Sydney Morning Herald, 2015, “*Do soft skills really matter?*”

⁷ Francesca Levy and Christopher Cannon, Bloomberg, 2016, “*The Bloomberg Job Skills Report 2016: What Recruiters Want*”

Technology is changing how workers communicate and work, although employers are embracing technology at varying rates.

Recent technological advancements such as social media, videoconferencing and online collaboration are changing ways of working, which means that working with technology and technological literacy will be key to effective teamwork and communication skills in the future. Some employers, however, have been slow to incorporate new technologies into their processes. A 2014 report into how technology has changed communication by Bright Hub Project Management found that technological advancements have brought great cost savings and organisation flexibility for businesses.⁸

Although new technology can be advantageous to businesses, a 2016 research report from Capita into industry uptake of trends in technology, found that while 83% of employers surveyed said that trends in digitally-enhanced workplace technology are relevant to their business, only 38% of employers were actually implementing the technology into their business.⁹ Furthermore, with an increasingly broad array of communications channels at the disposal of workers due to technology, choosing which communication channel is situationally appropriate is becoming a skill in itself.¹⁰

Poor teamwork and communication skills lead to missed opportunities or poorer outcomes in a variety of industries.

Regardless of industry, poor teamwork and communication skills can lead to poorer business and organisational outcomes¹¹ such as lost sales opportunities, industrial/workplace accidents, and lower team coherence. Almost a third (27-39%) of incidents of missed healthcare in Australian hospitals are attributable to poor communication.¹² A number of negative outcomes that can result from poor communication include decreased productivity, lower morale, and more mistakes.¹³

Therefore, it is clear that improving the teamwork and communication skills of workers will present a potential opportunity to obtain better organisational and business outcomes¹⁴ across a variety of industries and organisations.

The factors that make teamwork effective are consistent across industries

Many different industries and publications describe effective teams as having very similar characteristics. This suggests that similar skills can be applied across a variety of different contexts and organisations to cultivate effective teamwork.

Research suggests there are six fundamental characteristics of effective teams¹⁵, and these characteristics have been echoed by a large number of other academic and non-academic publications¹⁶ across a variety of different industries and types of organisations:

1. *Commitment to team success and shared goals*
2. *Interdependence between team members*

⁸ Bright Hub Project Management, 2014, "How Communication Has Evolved With New Technologies"

⁹ Capita, 2016, "Trends vs. Technologies"

¹⁰ Ian Linton, Chron, n.d., "How to Determine the Appropriate Communication Channel"

¹¹ Edmond Lau, Forbes, 2013, "Why And Where Is Teamwork Important?"

¹² Journal of Clinical Nursing, 2016, "Impact of teamwork on missed care in four Australian hospitals"

¹³ Julia Forneris, Chron, n.d., "The Effects of Bad Communication in Business"

¹⁴ Optum, 2015, "Why communication practices are important in the workplace"

¹⁵ Edith Cowan University, 2002, "Successful teamwork: A case study"

¹⁶ Sharon Mickan and Sylvia Rodger, Australian Health Review, 2000, "Characteristics of effective teams: a literature review"

3. *Good interpersonal skills*
4. *Open communication and positive feedback*
5. *Appropriate team composition*
6. *Commitment to team process, leadership and accountability*

This provides a strong indication that effective teamwork skills are common across industries and organisations

A number of training packages already contain teamwork and communication content.

It is important to note that these units contain a large amount of duplication in terms of content and principles of teamwork and communication. We have identified a total of 317 units of competency that relate to teamwork skills (139 units) or communication skills (178 units). This is based on search in training.gov.au using the keywords ‘communicate’, ‘communication’, ‘interact’, ‘team’, ‘teamwork’ or ‘group’ in the unit title, conducted in July 2017. In total, there were 317 units of competency, spread across 30 training packages. Also included are ten accredited course units. A list of impacted units can be found in Appendix C.

2.3 International findings

Internationally, a number of countries are finding new ways to teach teamwork and communication skills.

A number of countries are beginning to incorporate teamwork and communication skills into their education systems. This is increasingly a focal point for both public and private sector organisations. A number of countries are also beginning to make use of technology to deliver the training, or enhance existing training. Below are just a few examples to demonstrate the diverse range of different strategies that are being implemented around the world. Please note that this list is not exhaustive.

- The National Ministry of Education for Singapore has implemented a 21st Century Competencies framework that includes the following skills: communication collaboration, information skills, global awareness and cross-cultural skills¹⁷.
- The Center for Studies on Design at Monterrey (Mexico), a university, has implemented project-based learning for students which is designed to mimic a real-world training scenario. It requires students to work collaboratively in teams towards an outcome and aims to foster teamwork and communication skills in the process.¹⁸
- Birla Institute of Technology and Science, an Indian Technology University, has begun to teach ‘soft skills’ like presenting, teamwork and group discussion as part of an elective ‘Business communication’ course.¹⁹
- The Malaysian Ministry for Higher Education recommended in 2006 that all public institutions of higher learning integrate ‘soft skills’ into their curricula. However, the limited amount of studies conducted on this policy have revealed mixed results.²⁰
- European Quality Assurance in Vocational Education and Training has developed a framework for assessing the development of soft skills (including teamwork and communication), in Europe’s VET system.²¹

¹⁷ Foundation for Young Australians, 2016, “The New Basics”

¹⁸ Foundation for Young Australians, 2016, “The New Basics”

¹⁹ Sushila Shekhawat and Geetha Bakilapadavu, 2017, “Teaching Soft Skills to Engineering Students: A Case Study of BITS, Pilani”

²⁰ Larisa Nikitina and Fumitaka Furuoka, Educational Research for Policy and Practice, 2011, “Sharp focus on soft skills: A case study of Malaysian university students’ educational expectations”

²¹ EQAVET, 2015, “Supporting adult learning, continuing VET and soft skills development by using quality assurance descriptors and indicators”

3.0 Stakeholder Consultations

3.1 Consultation approach

This section presents the key findings from stakeholder consultations.

3.1.1 Stakeholder engagement approach

A key objective of our stakeholder consultations was to achieve breadth of representation from industries, geographic locations, and stakeholder categories. To do this, we leveraged our existing PRG and IRC member network, the broader PwC network, other SSO and Department contacts, training providers, subject matter experts and thought leaders. We also consulted with second degree contacts who were referred to us through the course of this cross sector project, pushing content through these networks and social media channels (LinkedIn, Twitter, industry newsletters, Skills for Australia website subscribers).

Figure 5 in Appendix B shows the overall respondent profile (industry, geographic location and stakeholder category) of stakeholders consulted for the Teamwork and Communication cross sector project. In total, approximately 143 stakeholders have been consulted to date across our three main channels: interviews, survey respondents and focus group attendees. Of note:

- Top industries represented (out of a total 34 industries consulted):
 - Education
 - Business Services
 - Community Services
 - Financial Services
- Top stakeholder categories represented:
 - Training providers, teachers or training deliverers
 - Employers (Small to medium as well as larger employers)
 - Researchers or consultants
 - Individual employees
 - Industry associations
 - Government departments or entities

All states/territories had a voice in consultations

3.1.2 Consultation channels

As mentioned in Section 1, there were multiple channels by which stakeholders could contribute to this project, and these are briefly noted below (key summary tables can be found in Appendix B). Each consultation followed seven lines of enquiry, also noted below.

Interviews

Interviews were held with key stakeholders over the phone or in person to better understand issues and opportunities. Pull and push methods were used to identify stakeholders for interviews: those who contacted us directly or via our networks (pull) and those who we targeted based on their industry representation, geographic location, or stakeholder category (push). Interviews were conducted from mid August to mid September 2017. The

interviewee profile is included in Appendix B. Note that stakeholder consultations are still ongoing; we will continue to consult with stakeholders during the preparation of the Case for Endorsement.

Nationwide Industry Survey

A nationwide industry survey was developed to help reach a broader stakeholder group (beyond our own network), and to provide another channel for people to provide additional feedback. Again, push and pull methods were used to identify survey respondents; the survey was published via the PwC's Skills for Australia website and launched through our network and social media channels (LinkedIn, Twitter, industry newsletters, promoted at industry conferences). The industry survey was live from 22nd August 2017 to 15th September 2017 (3.5 weeks) and received 141 responses as of Friday 15th September 2017. The respondent profile is included in Appendix B.

Focus groups

Focus groups were offered as an additional mechanism for stakeholders to contribute their views and allow the opportunity for a mix of stakeholders to come together and engage in a dynamic, interactive group discussion about the lines of enquiry. Focus group locations were determined based on where there are critical numbers (>5 people) interested in participating in a group discussion. The Teamwork and Communication focus group was held in Sydney on 18 September 2017.

3.1.3 Lines of enquiry

Six lines of enquiry were developed for the Teamwork and Communication cross sector project and used to guide our stakeholder consultations. These lines of enquiry were designed around what is known from existing research, skills or training that we want to test with stakeholders; and what gaps are there in existing research, skills or training that we need to know to prepare a Case for Endorsement.

- 1. Current and emerging industry trends:** What are the current and emerging trends in teamwork/communication skills in your industry – both domestically and internationally?
- 2. Current and emerging skills needs:** What current and future teamwork/communication skills are required of students in your industry? (Consider virtual collaboration, diverse teams)
- 3. Effectiveness of existing training:** How well does existing vocational education and training equip students with the teamwork/communication skills they need in industry? (Consider successful and unsuccessful elements of training, any existing gaps, keeping up with industry changes)
- 4. Risks and benefits of change:** What are the risks and benefits of creating teamwork/communication units that can be used across a large number of training packages?
- 5. Training on different levels:** Are there certain teamwork/communication skills needs for different levels in the workplace? (Consider more complex teamwork/communication skills, to build on basic teamwork/communication skills)
- 6. Additional considerations:** What else needs to be considered that has not already been covered by these lines of enquiry? What elements of training delivery have been most successful that could be considered in delivering generic teamwork/communication units?

3.2 Current and emerging industry trends

In order for us to gain a better understanding of the industry trends, stakeholders were asked to identify which emerging trends in teamwork and/or communication were most relevant to workers in their industry, and shaping the need for workers with teamwork and/or communication skills.

3.2.1 Current and emerging industry trends impacting teamwork skills

The top industry trends teamwork include: diversity in teams, flatter team structures, knowledge sharing, understanding roles/responsibilities.

- **Greater diversity in teams**, stemming from a more global economy, increased international collaboration and multicultural societies. This is driving a need for people to be capable of working with colleagues from different cultural, ethnic and societal backgrounds (cross-cultural skills). Similarly, the ability to collaborate with those from different age groups, genders and technical backgrounds is of high value going forward.
- Organisations are increasingly moving to **flatter team structures**, hoping to foster a more collaborative environment. As well, as the lines are blurring for traditional roles, workers must be able to develop a clear understanding of their roles and responsibilities for a team to operate effectively.
- Greater recognition of the need for teams to have a **shared vision and common understanding** of the team's purpose and goals. This is particularly important with virtual teams, and aligning the goals and targets of individual workers towards a team based approach.
- **Virtual teams** are becoming the norm in some industries where there is a need to collaborate domestically and internationally (see Figure 2). With increasing amounts of employees working from home or in remote locations, virtual teamwork is considered the way of the future. It is critical that managers are able to facilitate and organise teams in geographically diverse locations, and to coordinate workflow using systems as opposed to face to face contact is important.
- Greater importance on **sharing knowledge**. With the rapidly evolving databases and vast range of information that workers now have access to it is essential that individuals share their knowledge and ideas for the most effective outcome for the team; as one stakeholder put it, to “be more collaborative rather than competitive” (Training Provider in Queensland).

3.2.2 Current and emerging industry trends impacting communication skills

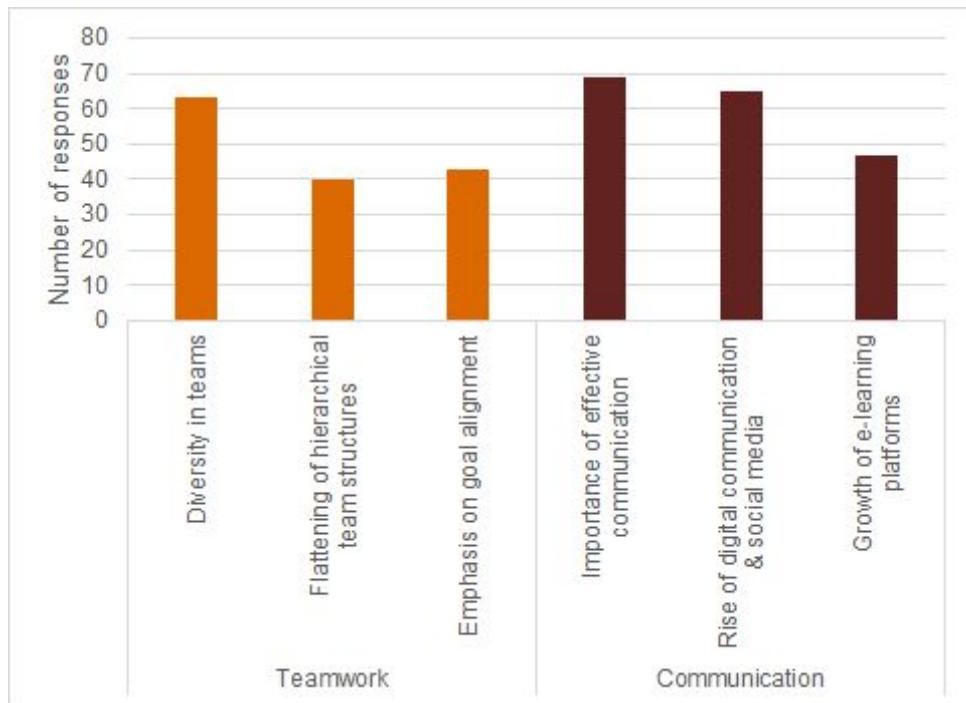
The top industry trends impacting communication include: rise of digital communication & social media, importance of effective communication, growth of e-learning platforms (see Figure 1)

- The increasing prominence of **emerging technologies** as a means of facilitating communication was repeatedly identified as a trend across a diverse range of industries. Furthermore, workers must now be able to choose a situationally appropriate channel of communication from an ever-widening field of options. Reliance on various forms of technological communication has meant that the “younger generation” is perceived to have weaker verbal and written communication skills. As well, we heard a significant amount of feedback around how basic verbal communication will be overlooked in the shift towards the digital age, including: understanding body language, active listening, social etiquette.
- **More effective and ubiquitous communication technologies** have also allowed teams to be more geographically dispersed. Giving and receiving feedback will be of even higher importance where there is no face to face interaction. The rapid shift towards digital communication has resulted in a need for learners to upskill in the field of digital literacy, including emails, video content, infographics, website,s visual data etc.
- Nearly every stakeholder we consulted with recognised the **importance of effective communication skills** to a healthy and functional organisation, and employers are increasingly considering

communication skills as a factor during the hiring process. Communicating effectively is increasingly important, more so where virtual communication is concerned.

- **Increased automation** in some industries has resulted in a majority of roles requiring some form of communication through technology (see Figure 2). The increased use of virtual collaboration tools in the workplace means that workers need to be skilled in the use of such online platforms.
- Training providers noted the **rise of e-learning** as a platform for delivering VET training.
- The **rise of social media** is prevalent in almost all industries and there is a need to focus training towards appropriate use of these platforms.

Figure 1 Percentage of survey respondents who selected each trend in response to “Which of these emerging industry trends in teamwork/communication are most important for workers in your industry?”



Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017)

Figure 2 Percentage of survey respondents who agree or strongly agree with these statements: How important do you think virtual teamwork will be for future workers in your industry? How important do you think virtual communication will be for future workers in your industry?



92% of respondents agree there is some degree of importance of virtual teamwork skills



99% of respondents agree there is some degree of importance of virtual communication skills

Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017)

3.3 Skills Needs in Teamwork & Communication

3.3.1 Addressing skills needs in teamwork

In order to understand the specific teamwork and/or communication skills needs required, we asked stakeholders to comment on the skills that are currently in high demand in their industry; and the future skills that will be needed for future workers in their industry. Stakeholders were then invited to comment on how difficult they found it to recruit employees with these specific skills.

Organisation & planning, working in diverse teams, decision making and giving/receiving feedback were identified as the most highly demanded teamwork skills in industry.

- Organisation and planning was the top teamwork skill in demand, relevant for day to day tasks at entry level and equally applicable for management level workers.
- Mirroring the feedback received around industry trends, the ability to work in diverse teams was once again identified as an important skill. Interviewees also highlighted the importance of respect and understanding varying perspectives as key sub-skills to work well in diverse teams.
- The process of giving and receiving feedback in a constructive manner was considered to be critical for the development of teamwork . This included verbal feedback, written assessments and online tools such as 360 degree feedback.
- Decision making in an effective and transparent manner was considered to be another highly demanded teamwork skill, especially in supervisor and management roles.
- The abovementioned teamwork skills were often considered to be relevant at all job levels and roles across industries.

New recruits are not meeting the demands of teamwork skills required in industry

- 80% of survey respondents had some degree of difficulty finding workers with suitable teamwork skills. This feedback was also echoed in consultations, where one of many interviewees stated that there was a challenge in recruiting staff with “the right mix of practical skills, qualifications and teamwork skills”.
- It was commonly reported that employers are spending significant amounts of money on team building exercises and external teamwork training.
- A shortage of teamwork skills was identified both in terms of individuals working successfully in teams and managers effectively leading teams.



80% of respondents had some degree of difficulty finding workers with suitable teamwork skills

3.3.2 Addressing skills needs in communication

Oral communication, written communication, active listening and interpersonal skills were identified as the most highly demanded communication skills in industry.

- A clear “top three” communication skills were identified by industry survey respondents are important and in high demand:
 1. Oral communication, as it is important in virtually every role regardless of hierarchical level or job function.
 2. Active listening, as it is crucial that workers can effectively understand and comprehend information and instructions that are given to them, and possibly in order to later disseminate that information effectively.
 3. (Tied) Written communication, as it plays a crucial role in how we communicate, both in formal documents and communications as well as less formal, written digital communication.
- (Tied) Interpersonal skills, as it is vitally important that workers can form relationships and interact productively with one another.

New recruits are not meeting the demands of communication skills required in industry

- 87% of survey respondents had some degree of difficulty finding workers with suitable communication skills. This feedback was also echoed in consultations, where many interviewees stated that there was a challenge in hiring “high calibre technical personnel with superior communication and influencing skills”.
- It was commonly reported that employees are not strongly focusing on developing their communication skills to make themselves employable.
- A poor understanding of communication protocols amongst new recruits was identified to have impacts on business performance.



87% of respondents had some degree of difficulty finding workers with suitable communication skills

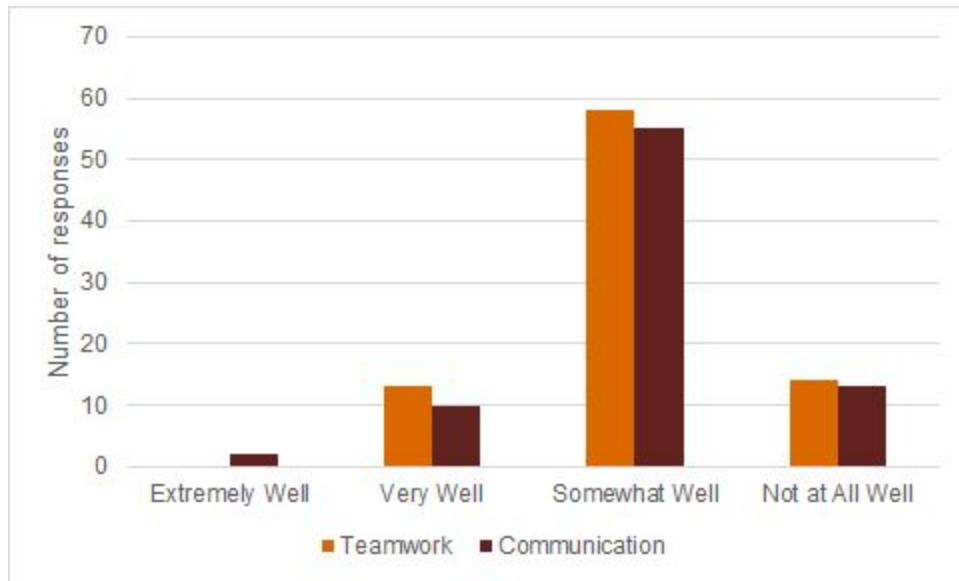
Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017)

3.4 Reviewing Existing Training

3.4.1 Reviewing existing training

We asked our survey respondents to consider how well existing training equips learners with teamwork and communication skills. As demonstrated in Figure 3 below a majority of stakeholders agreed that existing training only equips learners “somewhat well” in terms of both teamwork and communication skills. Feedback from consultations similarly indicated that there are gaps in existing training, which means it is often failing to meet industry needs.

Figure 3 Survey statement: How well does existing training equip learnings with the relevant teamwork/communication skills needed in industry?



Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017)

Existing training for teamwork skills is failing to meet industry needs.

- There is a significant gap in the training of teamwork skills, resulting in employers spending significant amounts of money on internal and external team building training.
- Many respondents commented on the lack of emphasis on teamwork as a stand alone skill set in existing training as it is seen as “a soft skill and not given high priority”.
- Existing teamwork training is considered to be “too structured and general” by some.
 - At the same time some considered teamwork a difficult skill to assess and teach.
- Responses also suggested that in current courses students are not exposed enough to real life workplace situations to build their teamwork skills.

Existing training for communication skills is failing to meet industry needs.

- There is a significant gap in the training of communication skills, resulting in employers spending significant amounts of money on internal and external training for communication skills.
 - This is external training is mostly focused at the management level and usually face to face, whereas online training is more common for lower level workers.

- Some feedback also suggested that currently “communication is ‘embedded’ in training products, but it is embedded so deeply it’s hard to find” (Member of Industry Skills Advisory Council, Northern Territory).
 - Communication skills are often integrated into other units of competency and then diluted.
 - Sometimes there is an emphasis on technical/compliance related skills rather than communication.
- Some respondents also commented on the fact that existing training in communication does not reflect the changing world of digital communication.
 - This includes reliance on telecommunication, social media, internet etc.

3.5 Risks and Benefits of Change

3.5.1 Developing a bank of common teamwork & communication units

Throughout consultation a majority of stakeholders were in support of the development of a bank of common teamwork and communication units (as seen in Figure 3), that can be contextualised across various industries.

We asked stakeholders whether or not they are in favour of developing these units as well as asking them to comment on any associated industry impacts they can foresee. Respondents were also asked to identify the potential risks and benefits and also categorise them as either high, medium or low. On the whole, a majority of stakeholders agreed that the benefits significantly outweigh any risks. The relevant feedback is summarised below.

The main risks of creating common teamwork and communication units are that the content will be too generic, difficult to contextualise to specific industries and lack relevance.

- The most common risk identified across all consultations was that these units will be too “generic and light on” if they are attempting to cater to all industries.
- Another commonly raised issue was that the units will be too difficult to contextualise and will be somewhat irrelevant for certain industries.
 - This was applicable for industries such as mining and ICT where there is great use of technical jargon in communication.
 - If the units are too prescriptive, contextualisation to industry may be compromised
- Risk averse industries such as healthcare and financial services may also require more specialised communication skills, however the core skills remain the same

The main benefits of creating common teamwork and communication units are that there will be consistency in training, higher quality of teamwork and communication training and a simplified process.

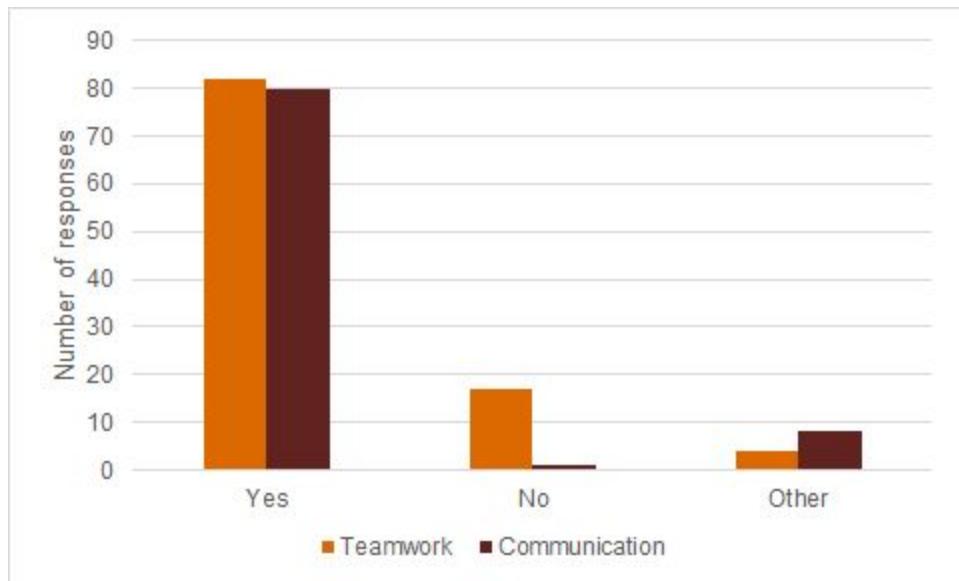
- Core skills in teamwork and communication will be clear, consistent and transferable across industries.
 - This could set a minimum benchmark in industry for these skills.
- A lack of duplicated units will result in simplified delivery of training.
- A higher quality of training can be developed through shared knowledge.
 - Training can be developed to match industry trends, particularly in terms of technology.
 - Frequent references to the use of BSB units were made during consultations.

3.6 Training on Different Levels

In order to determine the best way to deliver training of common teamwork and communication units, we asked stakeholders whether or not they think training should be delivered at different levels (see Figure 4). There was an overwhelming amount of support for structuring units at three levels in particular for both teamwork and

communication, which we have classified as “basic”; “intermediate”; and “advanced”. (Note that this classification has been applied in this report to distinguish between the different levels of training. We acknowledge that these labels may not be appropriate for the levels or descriptive of the nature of the units that are to be developed.

Figure 4 Survey statement: If a common unit is to be developed for teamwork/communication skills should it be different for learners at different levels?



Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017), Interview and Focus Group Responses (base: 24 responses as of 14.09.2017)

Additionally, through consultations, we asked stakeholders which specific teamwork and communication skills they would like to include if they were to develop common units at each of these levels. A summary of the findings is presented below.

Training for teamwork skills should be delivered at three different levels: “basic”, “intermediate” and “advanced”. Depending on their relevant roles learners should be able to work well in teams and facilitate/manage teams. Although there are some teamwork skills that overlap across the grades, there is still a need for distinct skill sets at each of these levels.

Basic teamwork skills include:

- Planning and organisation - at basic task planning/time management level
- Ability to actively listen, take instructions and question
- Develop an understanding of roles/responsibilities within teams - at an individual level, how to support other team members and understanding common team goals/targets
- Ability to collaborate effectively with others - understanding diversity, interpersonal skills, respectful communication and giving/receiving feedback

Intermediate teamwork skills include:

- Planning and organising - at a workflow level for all team members
- Leadership/Decision making - at a management level, delegation
- Communicating instructions and feedback clearly
- Ability to align individual goals towards a team focus - motivational skills

- Problem solving and conflict resolution skills

Advanced teamwork skills include:

- Planning and organisation - at a strategic level for all staff
- Ability to build teams - considering diversity, experience, operational matters
- Coordinating multiple teams
- Leadership/Decision making - at an strategic level
- Negotiation and conflict resolution skills
- Coaching, mentoring and supporting teams - developing positive workplace culture

Please note: During discussions with PRG Members it was determined that due to overlap of skills at each of these levels there may only be a need for 2 teamwork units 1) Working in a team 2) Managing teams. Following training product development the group will determine whether these units are sufficient to cover the skills needs in industry.

Training for communication skills should be delivered at three different levels: “basic”, “intermediate” and “advanced”.

For communication these skill sets exist broadly at 3 levels. An overwhelming amount of stakeholders suggested that basic communication skills need to be honed for all workers before proceeding to develop more advanced skills as they progress in their careers.

Basic communication skills include:

- Basic written communication skills - report and letter writing, emails, note-taking, interpreting data and protocols, basic English literacy (including digital form)
- Understanding audience, purpose and structure of communication
- Basic oral skills - clarity of speech, tone, effective phone conversations
- Active listening skills - ability to ask relevant questions
- Interpersonal skills - body language, nonverbal communication, communicating “brand”

Intermediate communication skills include:

- Presentation skills - verbal and visual communication
- Ability to clearly instruct - verbal and written form, including feedback
- Interpersonal skills - developing emotional intelligence, awareness of team members, building relationships with clients and team members
- Effective communication - identifying correct methods of communication, including appropriate social/digital media usage and conveying firm values

Advanced communication skills include:

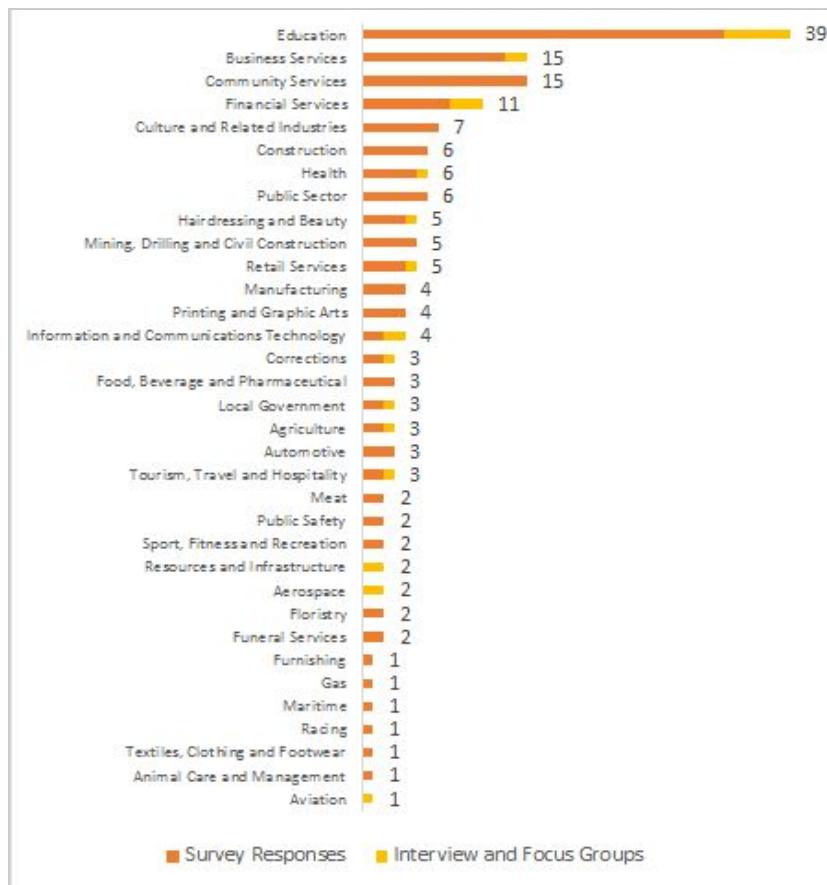
- Leadership based communication -ability to explain strategic direction in written and verbal form, motivational/inspirational communication
- Difficult communication - negotiation, higher level conflict management
- Facilitating communication - higher level presentation skills, ability to direct group based conversations or meetings
- High level written communication - synthesising information, critical analysis, effectively conveying information, persuasive writing skills

Appendix A - Terminology

Acronym	Meaning	Definition
AISC	Australian Industry and Skills Committee	A body consisting of industry and peak body representatives, which advises Commonwealth and State Industry and Skills Ministers on the implementation of national vocational education and training policies, and approves nationally recognised training packages for implementation in the VET system.
AQF	Australian Qualifications Framework	A national framework for regulated qualifications in the Australian education and training system, which sets forth principles to ensure consistency in the format of qualifications.
COAG	Council of Australian Governments	An organisation consisting of the federal government, state/territory governments, and Australian Local Government Association.
IRC	Industry Reference Committee	Committee comprised of subject matter experts, employers, industry association representatives in their respective industry, which have been appointed by the AISC and have decision making authority over their training package.
PRG	Project Reference Group	A group holding decision making power for a cross sector project, comprised of IRC members and subject matter experts.
RTO	Registered Training Organisation	An organisation registered to deliver accredited vocational training.
SSO	Skills Service Organisation	Independent service organisations that support Industry Reference Committees (IRCs) in their work developing and reviewing training packages.
UoC	Unit of Competency	The specification of knowledge and skill, and the application of that knowledge and skill, to the standard of performance expected in the workplace. A unit of competency is the smallest unit that can be assessed and recognised.

Appendix B - Stakeholder consultations

Figure 5 Respondent profile from stakeholder consultations by industry (across all channels: interviews, surveys and focus groups).



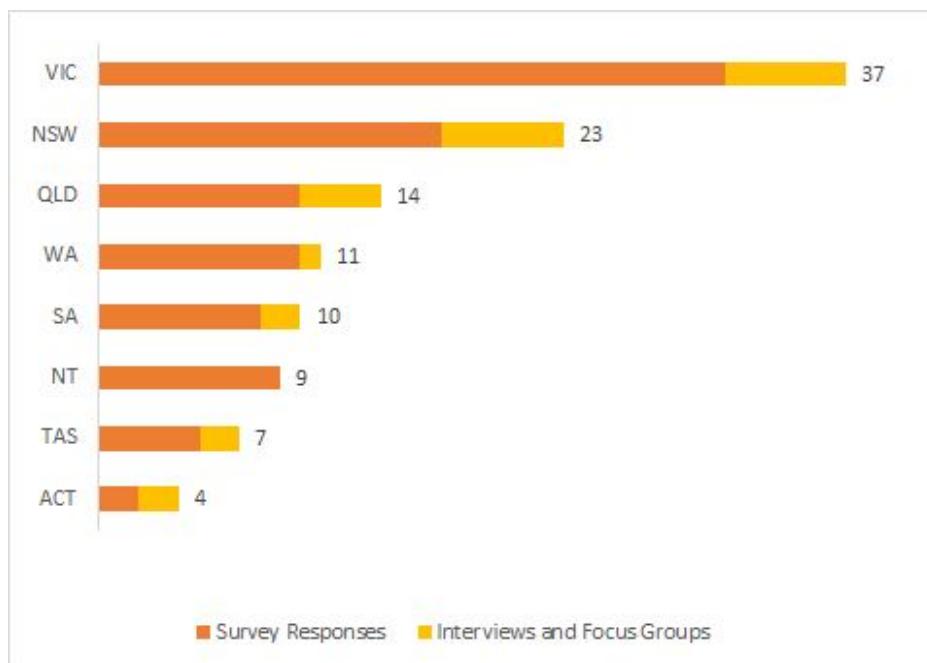
Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017), Interview and Focus Group Responses (base: 24 responses as of 14.09.2017)

Figure 6 Respondent profile from stakeholder consultations by stakeholder type (across all channels: interviews, surveys and focus groups).



Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017), Interview and Focus Group Responses (base: 24 responses as of 14.09.2017)

Figure 7 Respondent profile from stakeholder consultations by state/territory (across all channels: interviews, surveys and focus groups).



Source: PwC's Skills for Australia, Teamwork and Communication Cross Sector Project Industry Survey (base: 116 responses as of 12.09.2017), Interview and Focus Group Responses (base: 24 responses as of 14.09.2017)