



Employers' use and views of the VET system: history of the employer survey

NCVER

This document was produced as an added resource for the report *Employers' use and views of the VET system 2015*.
The report is available on NCVER's website: <www.ncver.edu.au>.

The views and opinions expressed in this document are those of NCVER and do not necessarily reflect the views of the Australian Government or state and territory governments.

© Commonwealth of Australia, 2015



With the exception of the Commonwealth Coat of Arms, the Department's logo, any material protected by a trade mark and where otherwise noted all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia <<http://creativecommons.org/licenses/by/3.0/au>> licence.

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the CC BY 3.0 AU licence <<http://creativecommons.org/licenses/by/3.0/legalcode>>.

The Creative Commons licence conditions do not apply to all logos, graphic design, artwork and photographs. Requests and enquiries concerning other reproduction and rights should be directed to the National Centre for Vocational Education Research (NCVER).

This document should be attributed as NCVER, *Employers' use and views of the VET system: history of the employer survey – support document*, NCVER.

This work has been produced by NCVER on behalf of the Australian Government, and state and territory governments, with funding provided through the Department of Education and Training.

Contents

Tables	3
Introduction	4
Overview	4
Purpose	4
Scope	5
Sampling	5
Data collection	5
The current survey (2005 onwards)	5
Sample Size	6
Data items	6
Weighting	7
Earlier surveys	7
1995 Employer Satisfaction Survey	7
1997 Employer Satisfaction Survey	8
1999 Survey of Employer Views on VET	8
2001 Survey of Employer Views on VET	9
Appendix A	10

Tables

1 Surveys used to measure employers' views of the VET system	4
2 Number of interviews achieved in the 2005, 2007, 2009, 2011, 2013 and 2015 surveys	6
3 Standard used to classify industry (ANZSIC) in the 2005, 2007, 2009, 2011, 2013 and 2015 surveys	7
A1 List of data items available from the 2005, 2007, 2009, 2011, 2013 and 2015 surveys	10

Introduction

This document outlines the history of the Survey of Employers' Use and Views of the Vocational Education and Training (VET) System and how it has evolved over time. It also compares each year's survey with the previous and notes the major differences.

A survey measuring employers' views of the VET system has been conducted biennially since 1995, with the exception of 2003. Since it was first conducted, the survey has undergone several name changes. These are shown in the table below.

Table 1 Surveys used to measure employers' views of the VET system

Year	Name
2005, 2007, 2009, 2011, 2013, 2015	Survey of Employer Use and Views of the VET System
1999 and 2001	Survey of Employer Views on VET
1995 and 1997	Employer Satisfaction Survey

The methodology and content of the survey have also changed over time. Prior to 2005, there was little consistency between surveys with respect to both content and methodology. For these earlier surveys, the focus also differed from year to year. Surveys from 2005 to 2011 had the same focus, with only minor content changes to maintain the time series. A major review of the survey was conducted in 2012 which resulted in changes to the methodology and content of the survey compared to other recent surveys.

Overview

Purpose

The employer survey was developed to measure the performance of the VET sector. Over the past decade, Australian federal and state governments established a comprehensive set of objectives for the national VET system as well as key performance measures (KPMs) to monitor progress against those objectives. The employer survey was initially developed to report against KPM 3, which was to monitor Australian employers' views on the relevance and usefulness of skills acquired through VET and their satisfaction with the system. It should be noted that the first survey, in 1995, was conducted before the final KPMs were fully formulated and endorsed.

In 2004, the KPMs changed as part of the new National Strategy for the VET System 2004-10 ("Shaping our Future"). KPM 3 was revised to monitor 'the level of employer adoption of, and satisfaction with, vocational education and training in meeting the skill needs of their workforce'. Given this change in focus, there are no comparative data available between these earlier surveys and those conducted from 2005 onwards.

The KPMs for the VET sector were superseded by the new National Agreement for Skills and Workforce Development (NASWD), focusing on outcomes and outputs, and set new performance measures for the VET sector. Employer satisfaction is required for reporting against the NASWD.

Scope

The scope of the survey has changed substantially over the years. The first two surveys (1995 and 1997) covered only employers of recent VET graduates. From 1999 onwards, the scope was expanded to include all employers with at least one employee. For 2001, although all employers with one or more employees were in scope, the employer population was divided into sub-groups for data collection and dissemination. All employers were asked about their training practices and general views on VET. Only employers of recent VET graduates were asked about their views on specific aspects of VET delivery.

From 2005, all employers were asked questions about the types of training they did/did not provide and were grouped under the headings of providing nationally recognised training, having formal vocational qualifications as a job requirement, and employing apprentices/trainees.

Sampling

Between 1995 and 2001, an electronic business listing was used as the sampling frame for the survey. From the 2005 survey onwards, the survey sample has been selected from the Australian Bureau of Statistics Business Register (ABR). The ABR is the most complete and up-to-date list of Australian employers available and using it as the survey sampling frame has greatly improved the sample design and efficiency and, led overall, to enhanced data quality.

Businesses can operate in more than one state or territory. In the 2005, 2007 and 2009 surveys, each state in which a business operated stood a chance of selection. Following a change to the structure of the ABR, only the state in which an organisation's head office was located stood a chance of selection in surveys conducted from 2011 onwards.

In all years, the sample for the survey has been selected at random, and stratified by state, industry, and employer size.

Data collection

In 1995, two methods were used to collect data from the employers depending on the size of the business. Information from large businesses was collected by face-to-face interview, while a telephone interview was conducted with smaller businesses. Both managers and supervisors of VET graduates were surveyed. Interviewing multiple people within an organisation produced complex data. For subsequent surveys, the methodology was simplified so that only one person, the manager responsible for staff training, was interviewed within an organisation. Since 1997, the survey has been conducted by computer assisted telephone interview (CATI) only.

The current survey (2005 onwards)

The current survey was developed to better capture employers' views and levels of engagement with the VET system for reporting against KPM 3 and subsequently the NASWD. Survey outputs were redeveloped by reviewing the existing survey content and methodology, and through consultations with key stakeholders. This resulted in a change in focus from employers' satisfaction with skills of recent VET graduates to employers' satisfaction with different aspects of the VET system.

Since 2005, the survey has been conducted by telephone interview with the manager responsible for staff training. Before interviewing, a primary approach letter (PAL) is sent to employers to inform them of the survey. The aim of the letter is to reassure potential respondents of the legitimacy of the survey and maximise the response rate. Enclosed with the letter is a brochure explaining the purpose of the survey, which also provides definitions of key terms used during the interview.

The Australian Bureau of Statistics (ABS) was responsible for sample design and selection for each survey. The sample was designed to include only in-scope businesses; that is businesses from all eight states and territories of Australia with one or more employees. From 2009, to reduce the number of non-employing business selected in the sample, units with an active Income Tax Withholding (ITW) role who had not reported wages and salaries on their Business Activity Statement return for at least five consecutive quarters were excluded from the sample.

Sample Size

This is the sixth time the survey has been conducted in this form, with previous surveys run in 2005, 2007, 2009, 2011 and 2013. Over time the number of interviews conducted has been increasing due to user demand for higher quality estimates. The number of interviews achieved for each of the surveys is shown in table 2.

Table 2 Number of interviews achieved in the 2005, 2007, 2009, 2011, 2013 and 2015 surveys

	2005	2007	2009	2011	2013	2015
Interviews achieved	4 601	4 701	5 244	7 500	9 052	9 210

Data items

For surveys conducted between 2005 and 2011 the majority of data items are directly comparable.

In 2012 a review was conducted of the survey. The main outcomes from the review were:

- All employers were asked a small set of core questions of approximately five minutes in length.
- Those employers were then split into two groups and each asked a different set of questions, approximately five minutes in length. The first group answered questions on their choice of provider, with the second group providing detailed information on employee skill levels and employers' reasons for training.

The core questions asked of all employers were asked in previous iterations of the survey and are comparable with data collected between 2005 and 2011. Questions in the other groups are a mix of new and existing questions. More information on the review can be found at <http://www.ncver.edu.au/statistic/21066.html>.

The data items collected across the surveys from 2005 to 2015 are shown in Appendix A.

Data are available by state, employer size and industry. The only exception results from a change to the Australian and New Zealand Standard Industrial Classification (ANZSIC) in 2006. Data from the 2007 and 2009 surveys were coded using both ANZSIC 1993 and ANZSIC 2006, those from the 2005 survey to ANZSIC 1993 only and those from the 2011 survey onwards to ANZSIC 2006 only (table 3).

Table 3 Standard used to classify industry (ANZSIC) in the 2005, 2007, 2009, 2011, 2013 and 2015 surveys

	2005	2007	2009	2011	2013	2015
ANZSIC 1993	Yes	Yes	Yes	-	-	-
ANZSIC 2006	-	Yes	Yes	Yes	Yes	Yes

Weighting

The survey sample is drawn from the Australian Bureau of Statistics (ABS) Business Register. Despite taking steps to limit the sampling frame to those in-scope of the survey, when contacted for interview some organisations are found to be out-of-scope of the survey or have closed down. The weighting methodology applied previously did not adjust for the reduced number of potential respondents and therefore the weights were potentially biased. An improved weighting methodology developed for the 2013 survey onwards takes into account out-of-scope and ceased businesses identified during fieldwork.

For the 2013 survey onwards, stratum-level weights will be calculated for each survey based on numbers of in-scope responses. For consistency, and to maintain the time-series, the same methodology was applied to responses to the 2005, 2007, 2009 and 2011 surveys.

Earlier surveys

Since it was first developed in 1995, the survey has grown steadily in size. Prior to 2005, the content of the survey differed from year to year. Similarities across the surveys were:

- The set of attitudinal statements and a measure of overall satisfaction with VET providers was collected consistently for the 1995 to 2001 surveys and provided the only comparable data over time¹.
- The surveys in 1997, 1999 and 2001 were consistent in their measurement of attitudes to technical and further education (TAFE) and non-TAFE providers. Employers with predominantly TAFE graduates were asked their views on TAFE providers and employers with predominantly non-TAFE graduates were asked for their views on non-TAFE providers. It provided a reasonable representation of views on each provider type because only 10% of employers had graduates from both TAFE and non-TAFE providers.

1995 Employer Satisfaction Survey

The scope of the 1995 survey was 'employers with at least one employee who had completed a VET qualification in the previous two years'. There were some problems identifying and finding the target population for this survey.

Businesses were selected from an electronic business listing and a two-phased approach to interviewing was used to collect the data. For small to medium-sized businesses, a telephone interview

¹ There were initially 10 statements that increased to 12 in the 2001 survey.

was conducted with the manager/human resources manager, as well as an immediate supervisor of a VET graduate. For large employers, a face-to-face interview was conducted with the manager/human resources manager and telephone interviews conducted with up to three supervisors of VET graduates. The same questionnaire was used for all workplaces, only the method of administering them changed by size of the business.

In effect, there were two surveys: a 'managers' survey' and a 'graduate supervisor survey'. The measurement of satisfaction at two levels resulted in a complex set of information. Managers were asked their opinions on the recent VET graduates as a group while supervisors were asked the same range of questions about, in each case, a particular recent VET graduate. Of note, is that in 69% of cases, the manager and the supervisor were the same person. This gave rise to questions on whether the added complexity and expense of the two levels of measurement was providing much value to the interpretation and meaning of survey results.

For the 1995 survey, 1999 interviews were completed. Data are available by state, employer size and industry.

1997 Employer Satisfaction Survey

The second survey, conducted in 1997, was also called the 'employer satisfaction survey'. It used a different questionnaire from the 1995 survey. The scope remained the same and the sample was again drawn from electronic business listings, however, the entire survey was conducted by telephone and only one person per organisation was interviewed. The questionnaire was structured around a set of 12 aspects of training delivery. In relation to each aspect of training, respondents were asked:

- their satisfaction levels for current delivery
- the level at which they would consider training to be excellent
- the level at which they would be dissatisfied enough to change providers.

One of the main reasons for adopting the method of asking about current delivery and comparing this with ideas of 'excellence' and 'dissatisfaction' was to use the data for 'gap analysis', i.e. to measure how far from excellence, or otherwise, current delivery might be at a point in time. Repeat surveys could monitor this over time. However, it was a very long survey and contained very complex concepts for respondents to deal with over the telephone. A post-survey review raised concerns about respondent fatigue and the impact on data quality, plus, very few of the key clients using the survey data undertook the gap analysis to monitor areas of improvement, mainly because the resulting data set was too complex.

A total of 2687 interviews with in-scope employers were completed. Data are available by state, employer size and industry.

1999 Survey of Employer Views on VET

A considerable amount of development work was undertaken for the 1999 survey. This included a review of the questionnaire content and an investigation of an alternative sampling frame. An application to use the ABR as the sampling frame for the survey was made, but approval was not granted.

The name of the survey changed to 'survey of employer views' reflecting the focus on 'perceptions' in the scales for excellent and current delivery rather than measuring actual levels of satisfaction.

The review of the questionnaire resulted in the same basic model as 1997 being retained, but it contained only the questions on employers' views of current delivery and their ideas of excellence. The set of attitudinal statements was also retained, as several of them had become key performance reporting elements in the Australian National Training Authority (ANTA) annual report. In addition, there were two changes to the populations surveyed. First, the survey was expanded to include employers with no VET graduates, recent or otherwise. Second, the target population of employers with a recent VET graduate was divided in two. This latter change was made to distinguish between those employers who had direct experience of VET and those with VET graduates.

The review of the sample frame arose from two factors, the:

- 1 difficulty and cost of finding employers of recent VET graduates
- 2 availability of employers details for a majority of graduates through the (then) Graduate Destination Survey (GDS), now the Student Outcomes Survey.

The Australian Bureau of Statistics Statistical Consultancy Unit was engaged to advise whether information from the GDS could be used to create a sample frame and how this could be combined with a second frame from the electronic business listing.

The 1999 survey was conducted using the dual frame because of the potential cost savings envisaged in using the GDS to source employers of recent VET graduates. A post survey evaluation showed that the savings were not realised as the administrative work involved in preparing the GDS information for sample selection and the complexity of managing the two weighting processes eroded most of the savings. For this reason, it was decided to revert to a single frame from an electronic business listing for the 2001 employer survey.

A total of 6053 interviews were completed across the populations with employers with recent or no VET graduates. Data are available by state, employer size and industry.

2001 Survey of Employer Views on VET

In 2000, another major review of the survey content and methodology was conducted. The focus of this review was to consider whether the survey collected information in the most appropriate way for KPM 3. The main finding of the review was that the survey could focus better on KPM3 by collecting more information on specific graduate skills and this steered the change in content for the 2001 survey. As part of the review, a new focus and content for 2001 was agreed that moved away from specific aspects of training delivery (previously, mainly course focused) and introduced a set of skills. These skills were mainly 'soft' skills such as the ability to communicate, and the ability to work in a team. Time series for the key performance items used in the ANTA Annual Report were maintained.

The 2001 survey was conducted using the single frame from an electronic business listing. The survey was expanded to cover all employers with the same sub groups as for 1999, and an additional group of employers who had VET graduates hired more than two years previously.

A total of 6821 interviews were achieved across the populations with information by state, employer size and industry available.

Appendix A

Table A1 List of data items available from the 2005, 2007, 2009, 2011, 2013 and 2015 surveys

Data item	2005	2007	2009	2011	2013			2015		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Organisation characteristics:										
Industry (ANZSIC 93)	✓	✓	✓							
Industry (ANZSIC 06)		✓	✓	✓	✓			✓		
State of operation	✓	✓	✓	✓	✓			✓		
Sector	✓	✓	✓							
Total number of employees	✓	✓	✓	✓	✓			✓		
Number of permanent employees	✓	✓	✓							
Number of full-time employees	✓	✓	✓							
Occupational distribution of organisation	✓	✓								
Whether organisation is a registered training organisation (RTO)	✓	✓	✓	✓	✓			✓		
If RTO, whether mainly provide training to own employees or to other organisations	✓	✓	✓		✓			✓		
Training strategy:										
Whether organisation has business plan	✓									
Staff training part of business plan	✓									
Importance of training to overall business strategy	✓									
Ways organisation currently determines training needs of staff	✓	✓	✓	✓						
Rating of current skill level of employees relative to needs of the organisation	✓	✓	✓	✓						
Whether organisation experienced any difficulties recruiting staff in past 12 months	✓	✓	✓	✓	✓			✓		
Reasons for recruitment difficulties	✓	✓	✓	✓		✓			✓	
Occupations of recruitment difficulties		✓								
What has organisation done to address these difficulties	✓	✓	✓							
Proficiency of staff						✓			✓	
Reasons staff not fully proficient						✓			✓	
Impact on organisation performance if staff not fully proficient						✓			✓	
Effect on organisation if staff not fully proficient						✓			✓	
What organisation has done to cope with lack of staff proficiency						✓			✓	

Data item	2005	2007	2009	2011	2013			2015		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Informal training:										
Organisation done any of following in last 12 months: <ul style="list-style-type: none"> • supervisors provided informal training as required • provided/arranged for relevant training for new technology/equipment • provided training manuals or software for self-directed study • contributed to cost of university study • contributed to cost of VET study 	✓	✓	✓	✓	✓			✓		
Vocational qualifications as a job requirement:										
Whether organisation ever had jobs that require vocational qualifications	✓	✓	✓	✓	✓			✓		
Reasons organisation (does not have/no longer has) specific jobs that require vocational qualifications	✓	✓	✓	✓						
Percentage of employees in organisation that had jobs requiring vocational qualifications in last 12 months	✓	✓	✓	✓	✓			✓		
Whether jobs require full or part qualification		✓	✓	✓						
Occupations of employees that had jobs requiring vocational qualifications in last 12 months	✓	✓								
Reasons organisation has specific jobs that require vocational qualifications in last 12 months	✓	✓	✓	✓		✓			✓	
Importance of employing people with vocational qualifications	✓	✓	✓	✓						
Level of satisfaction with vocational qualifications in providing employees with skills required for job	✓	✓	✓	✓	✓			✓		
Reasons for dissatisfaction	✓	✓	✓	✓		✓			✓	
Suggestions for improvements	✓									
Apprenticeships/traineeships:										
Whether organisation ever had employees undertaking apprenticeships/traineeships in last 12 months	✓	✓	✓	✓	✓			✓		
Reasons organisation does not have apprentices/trainees	✓	✓	✓	✓						
Whether know where to look for information about recruiting apprentice/trainee		✓	✓							
Percentage of apprentices/trainees who undertook formal training in last 12 months	✓	✓	✓	✓	✓			✓		
Expect number of apprentices/trainees to increase, stay the same, decrease in next three years		✓	✓							
Whether number of apprentices/trainees increased, stayed the same, decreased in last 12 months				✓						

Data item	2005	2007	2009	2011	2013			2015		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Expect number of apprentices/trainees to increase, stay the same, decrease in next 12 months				✓						
Occupations of apprentices/trainees in last 12 months	✓	✓								
Reasons organisation has had apprentices/trainees in last 12 months	✓	✓	✓	✓		✓			✓	
Method of hiring apprentices/trainees	✓	✓	✓	✓						
Reasons for using a group training organisation to hire apprentices/trainees	✓	✓	✓							
Types of organisations used to conduct formal training for apprentices/trainees	✓	✓	✓	✓			✓			✓
Types of organisations used to conduct MAJORITY of formal training for apprentices/trainees	✓	✓	✓	✓			✓			✓
Reasons for using main type of training provider	✓	✓	✓				✓			✓
Level of satisfaction with various aspects of training for apprentices/trainees from main provider							✓			✓
Overall level of satisfaction with training for apprentices/trainees from main provider										✓
Level of satisfaction with the quality of training from main training provider	✓	✓	✓	✓						
Importance of apprenticeships/traineeships in meeting skill needs	✓	✓	✓	✓						
Level of satisfaction with apprenticeships/traineeships in meeting skill needs	✓	✓	✓	✓	✓			✓		
Reasons for dissatisfaction	✓	✓	✓	✓		✓			✓	
Suggestions for improvements	✓									
Nationally recognised training:										
Whether organisation ever arranged or provided for employees to undertake nationally recognised training in last 12 months	✓	✓	✓	✓	✓			✓		
Reasons organisation does not have employees who have undertaken nationally recognised training	✓	✓	✓	✓						
Whether know where to look for information about nationally recognised training		✓	✓							
Percentage of employees provided with nationally recognised training in last 12 months	✓	✓	✓	✓	✓			✓		
Whether nationally recognised training was for full qualification or for specific subjects/modules		✓	✓							
If both, was the majority for a full qualification or for specific subjects/modules		✓	✓	✓		✓			✓	
Expect amount of nationally recognised training to increase, stay the same, decrease in next three years		✓	✓							
Whether amount of nationally recognised training increased, stayed the same, decreased in last 12 months				✓						

Data item	2005	2007	2009	2011	2013			2015		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Expect amount of nationally recognised training to increase, stay the same, decrease in next 12 months				✓						
Occupations of employees provided with nationally recognised training in last 12 months	✓	✓								
Reasons organisation arranged for employees to undertake nationally recognised training	✓	✓	✓	✓		✓			✓	
Who conducted MAJORITY of nationally recognised training (external provider or internally)	✓	✓	✓	✓			✓			✓
Types of organisations used to conduct nationally recognised training	✓	✓	✓	✓			✓			✓
Types of organisations used to conduct MAJORITY of nationally recognised training	✓	✓	✓	✓			✓			✓
Reasons for using main type of training provider	✓	✓	✓				✓			✓
Level of satisfaction with various aspects of nationally recognised training from main provider							✓			✓
Overall level of satisfaction with nationally recognised training from main provider										✓
Level of satisfaction with the quality of training from main training provider	✓	✓	✓	✓						
Importance of training leading to a nationally recognised qualification	✓	✓	✓	✓						
Level of satisfaction with nationally recognised training in providing employees with required skills	✓	✓	✓	✓	✓			✓		
Reasons for dissatisfaction	✓	✓	✓	✓		✓			✓	
Suggestions for improvements	✓									
Unaccredited training:										
Whether organisation ever arranged or provided for employees to undertake unaccredited training in last 12 months	✓	✓	✓	✓	✓			✓		
Percentage of employees provided with unaccredited training in last 12 months	✓	✓	✓	✓	✓			✓		
Expect amount of unaccredited training to increase, stay the same, decrease in next three years		✓	✓							
Whether amount of unaccredited training increased, stayed the same, decreased in last 12 months				✓						
Expect amount of unaccredited training to increase, stay the same, decrease in next 12 months				✓						
Occupations of employees provided with unaccredited training in last 12 months	✓	✓								
Reasons organisation arranged for employees to undertake unaccredited training	✓	✓	✓	✓		✓			✓	
Who conducted MAJORITY of unaccredited training (external provider or internally)	✓	✓	✓	✓			✓			✓
Types of organisations used to conduct unaccredited training	✓	✓	✓	✓			✓			✓
Types of organisations used to conduct MAJORITY of unaccredited training	✓	✓	✓	✓			✓			✓
Reasons for using main type of training provider	✓	✓	✓				✓			✓

Data item	2005	2007	2009	2011	2013			2015		
					Core	Non-core A	Non-core B	Core	Non-core A	Non-core B
Level of satisfaction with various aspects of unaccredited training from main provider							✓			✓
Overall level of satisfaction with unaccredited training from main provider										✓
Level of satisfaction with the quality of training from main training provider	✓	✓	✓	✓						
Whether comparable nationally recognised training available when choosing unaccredited training	✓	✓	✓	✓		✓			✓	
Reasons for choosing unaccredited training over nationally recognised training	✓	✓	✓			✓			✓	
Level of satisfaction with unaccredited training in providing employees with required skills	✓	✓	✓	✓	✓			✓		
Reasons for dissatisfaction						✓				
Overall improvements to the VET system:										
Suggestions for improvements to the VET system		✓	✓							