



Transferring the functions of the Australian National Training Authority (B)

In October 2004, the recently re-elected Coalition Government had announced the abolition of the Australian National Training Authority (ANTA). ANTA had been created in 1992 and was responsible for overseeing the introduction of the national training system. The functions of ANTA were to be transferred to the Department of Education, Science and Training (DEST) on 1 July 2005. This allowed eight months for the functions to be transferred.

Actions following the Prime Minister's announcement

The decision was announced in the Prime Minister's Machinery of Government press release on Friday 22 October 2004, which outlined the Ministry, following the recent election. Only two paragraphs within the three page press release related to the abolition of ANTA. The press release also announced the creation of a Ministerial portfolio responsible for vocational and technical education, to be filled by the Hon. Gary Hardgrave MP.

Lisa Paul, Secretary of DEST, immediately rang Paul Byrne, interim Chief Executive Officer (CEO) of ANTA. Paul Byrne had not seen the Prime Minister's media release and so it was Lisa Paul who broke the news to ANTA.

Lisa Paul, Secretary of DEST, and Aurora Andruska, DEST's Group Manager for vocational and technical education (VET), agreed that stakeholders needed to be informed by Departmental staff as quickly as possible of the announcement. A list of

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stakeholders who needed to be contacted was put together and the necessary telephone calls were divided between a number of staff of ANTA. Ms Andruska assured Paul Byrne that every support would be given to his staff. It was agreed that Lisa Paul would travel to Brisbane the following Tuesday to meet with Paul Byrne and his team, and agree to protocols for the change process.

Transition arrangements agreed

The following Tuesday, Lisa Paul and Paul Byrne met and agreed that ANTA would have carriage of the national training system until 30 June 2005, when responsibility would transfer to the Department. Lisa Paul said: “It was clear from the first meeting that Paul was going to be collaborative.” Byrne affirmed that: “After the initial shock, my intention was to preserve the twelve years of work of ANTA in creating a robust national training system.”

The announcement had received limited media coverage. There was minimal comment on the change from states, territories and industry groups who had been central to the creation of the unique organisational structure of ANTA in 1992. Paul and Byrne agreed that the aim of the transition of the national training system was that it should be seamless for stakeholders.

They discussed any risks for ANTA. “The Department could not allow ANTA to trade into insolvency in the transition period, or take on risks that would become Departmental risks.” In this context Byrne told Paul about the 10 year lease agreement in Brisbane, and was pleased when she responded: “Don’t worry about it, we can take care of that.”

They also agreed to the establishment of a transition team and transition plan, characterised by multiple lines of communication between the two organisations, and to establish a protocol for communication. Said Lisa Paul: “We agreed there would be heightened scrutiny of what the CEO was saying publicly. We agreed on a range of issues the Department would be interested in before they were released publicly.”

Meeting with ANTA staff

That afternoon, Lisa Paul and Paul Byrne met jointly with the Brisbane ANTA staff, with Melbourne staff attending by video conference. Lisa Paul said, “It was important to acknowledge the emotion of it all. They had just lost their jobs and I could offer no certainty that the roles would stay in Brisbane and Melbourne. I emphasised the importance of ‘putting people first’ – as soon as we know anything we will let staff know.”

As the Department maintained offices in Brisbane and Melbourne, there was a possibility the functions could transfer to these offices. Paul assured all staff that their jobs were safe but she could not guarantee whether they would be based in Brisbane and Melbourne or transferred to DEST’s national office in Canberra.

“I really emphasised to staff that the decision to abolish ANTA was in fact a recognition of the outstanding achievements of the organisation in establishing the national training system. I outlined my belief that this was also a reflection of the Commonwealth Government’s overall policy direction in addressing a skills shortage.”

Byrne advised staff that the work of ANTA would continue in the following eight months. “I told them that the knowledge transfer process to DEST would be undertaken alongside business as usual. I also reiterated my belief that we had a key role in preserving the twelve years of excellent achievements in the national training system and that our last day would be our best day.”

80 jobs in Canberra

Within two weeks, Paul confirmed with Byrne that all positions post 30 June 2005 would be based in Canberra. “DEST knew that we needed staff to move to Canberra to bring their skills and knowledge with them. But we were realistic about the chances of more than 10 staff taking that decision.”

Byrne and Paul recognised the departure of ANTA staff as a key risk and worked towards appropriate incentive structures. It was agreed to give ANTA staff until May 2005 to decide if they would move to Canberra, with redundancy packages available to any staff who did not want to move. The redundancy packages had conditions attached to them – only staff who were there on the last day would be entitled to them.

DEST made concerted efforts to entice Brisbane and Melbourne based staff to consider Canberra. Andruska remembered: “We needed the staff – their knowledge and skills. We organised presentations of the benefits of living in Canberra and offered to fly staff to Canberra to check out suitable accommodation.”

The incentive arrangements for ANTA staff to remain in their roles until 30 June 2005 were effective. On that day, 85 percent of staff from ANTA finished up. However, only five of the staff elected to move to Canberra.

During the transition, ANTA continued business as usual. Byrne recalled

“We were in the process of collapsing our Industry Training Advisory Bodies into more manageable structures. We managed a process of collapsing twenty bodies into 10 by the time of handover to the Department. We continued to manage the national training system which included development of Training Packages, a national information technology programme for VET, the funding of states and territories, contact with industry, and the Ministerial Council and its committee structure. In the midst of this we also managed the transition arrangements.”

Process of knowledge transfer

A transition agreement between ANTA and DEST was entered into in November 2004. The eight page agreement outlined guiding principles, roles and responsibilities, business protocols, communication processes and the knowledge transfer framework.

It was agreed at the initial meeting in October between Lisa Paul and Paul Byrne that ANTA would take the lead on the knowledge transfer. Staff from ANTA considered their work plan for 2004-05, prioritised actions and dropped work from the work plan that was not essential.

In January 2005, ANTA provided a knowledge transfer template to DEST. The stated aim of the document was to make certain “as much of the knowledge as possible was captured to ensure as little disruption as possible to our clients and stakeholders”.

The central format for the knowledge transfer was the written brief identified as the main source of information for the Department once ANTA was abolished. The template noted, “The success and continuation of your project could depend on the quality of the briefing material you prepare.” Each topic cascaded from the ANTA work plan.

The aims of the template were to:

- document the key decisions and stakeholder environment
- make the practical issues clear, particularly the files (hard copy and electronic) and funds (source, amount, current status)
- explain the knowledge base and skill sets required to carry out this activity/function
- set a platform for a discussion that would cover the “tacit knowledge” that is part of the way you do business but which is hard to document.

The template provided staff with 14 headings to consider in writing their hand-over briefs, with detailed notes on information that could be included

The template was supported with a knowledge transfer kit outlining 35 knowledge “pods” – topic areas which specified the responsible officer from ANTA and a “pod” manager within DEST (*See Exhibits 1 and 2*). The written briefs were supplemented with face to face meetings and teleconferences, in an effort to glean all tacit information.

DEST’s ANTA Transition Team developed a training session on knowledge transfer for all staff to ensure they had the correct skills. This training included information on “inquiry and active listening” and “awareness of others”. Change management information was also provided to staff including articles such as “How can I help a colleague who is uncomfortable with change?”

Senior managers from ANTA came to Canberra to conduct seminars. The aim of these seminars was to convey tacit information that could not be written down. Andruska recalls, “We had seven seminars with 80 to 100 staff from the Department turning up to each one. The seminars provided absolutely brilliant knowledge about why certain decisions had been made, or the fragility of the national training system. Afterwards, we wondered why we hadn’t done it years ago!”

Impact on DEST of the changes

From October 2004, Byrne had doubts about whether DEST had sufficient staff to cope with the influx of knowledge. “They were slow to receive information from us, and the majority of the knowledge transfer occurred in the last two months. There were efforts to have DEST staff shadow staff from ANTA. This was not that effective as there was a skills deficit in more junior Departmental staff.”

The capacity of DEST to receive information from ANTA was limited in the first few months, as there was a myriad of commitments for which they had responsibility. This included responsibility for legislative arrangements – repealing the *Australian National Training Authority Act 1992* and instituting alternative legislative arrangements. The *Skilling Australia Workforce (Repeal and Transition Provisions) Bill 2005* was introduced to Parliament on 11 May 2005.

Staff within the Department also had responsibility for the design of a new national training system. Andruska and her team began immediately to work on consultation on the governance arrangements for a new national training system. “We needed a structure that was going to engage all parties – states and territories, peak industry bodies, Industry Skills Councils, unions and Registered Training Organisations.” By February 2005, a consultation paper, “Skilling Australia”, had been put out to stakeholders for comment. In addition, the Department was working out a further funding agreement with states and territories for VET.

There was a shortage of staff in Canberra qualified to work in VET within DEST. Further, the Department had to be mindful of advertising these roles, given that the staff in ANTA had until May 2005 to decide if they would move to Canberra. Andruska recalled, “We had to advertise immediately for additional staff in VET as well as manage the feelings of staff within ANTA who felt jobs were not being held for them.”

The impact of the transfer of functions to the Department was immense. Andruska said, “At a morning tea in Canberra in December 2005, six months after the transfer of ANTA’s functions, I asked 220 assembled staff to raise their hands if their role had not changed substantially in the past year. Of the 220, only four administrative staff had retained their functions since the previous year.”

Plaudits for ANTA staff

The staff within ANTA maintained their professionalism and commitment to the national training system to the end. A senior official from DEST recalls, “On their last day, as computers and desks were being packed up around them, staff from ANTA were on teleconferences to the Department to ensure their handovers were complete. That evening, while most Brisbane-based staff were at the pub, one staff member thought to check the answering machine message at ANTA. Apparently, someone had left a message: ‘Hello, you have rung ANTA, we have been abolished’. Management from ANTA then spent two hours on the phone with the building’s telecommunication team to have the message changed. It reflected a tremendous commitment to their legacy.”

Lisa Paul attributed the success of the transition to the management of ANTA in particular. “Paul Byrne and other members of the management team showed tremendous leadership to staff and stakeholders. They were not entitled to redundancy provisions as they were on individual contracts, yet they all stayed until the last day. Similarly, the ANTA Board wanted to look after all staff first and foremost, and get the business done. It was easy for the Department to be motivated to ensure a smooth transition because we owned it. Staff within ANTA did it on behalf of the national training system.”

Paul Byrne remembered: “We did it because we were committed to VET and preserving twelve years of reform. There were ups and downs in morale through the transition period, but really it was managed quite well. My leadership team did not falter, they were totally professional.”

Success of the knowledge transfer

Reflecting on the success of the knowledge transfer, Rebecca Cross, Branch Manager in DEST, estimated that 50-70 percent of the corporate knowledge was transferred. Said Rebecca Cross:

“Given the breadth of activity, and only five former ANTA staff joining our Department, we did very well. In many cases, the staff at ANTA wrote everything down but until you know what to ask we could not capture it all.

“There are a huge number of gaps – in the Department, we know a policy decision has been taken in the past, but for the life of us we cannot find it. We then speak to a former employee of ANTA and they can recall immediately at which Ministerial Council meeting a policy decision was made. It comes down to a question of how much time you spend trying to find things. An alternative to finding the source of the decision is to move forward with a positive affirmation from stakeholders that a decision has been made on that issue in the past.

“Similarly, after the transition we encountered invoices we did not expect, contracts of which we were not aware and contractors who were working without being paid. A major obstacle for our Department was lack of staff. We were using existing staff for the new legislation, a new funding agreement, designing a whole new training system as well as ongoing business. We started recruiting early but could not get enough people with the right skills and knowledge.”

Lisa Paul reflected that the efforts of DEST staff in working with ANTA and taking carriage of the national training system post June 2005 were tremendous. “We were challenged to rebuild the whole architecture of the national VET system, as well as continue our ongoing roles and the roles of ANTA. Aurora Andruska’s team did a wonderful job in managing the workload with professionalism. Aurora Andruska was awarded the public service medal in January 2006 for outstanding public service in the development and implementation of a new national framework for VET in Australia.”

Fit of the management of the National Training System within DEST

A senior official from DEST recognised that the new arrangements allowed the funding lever of the Commonwealth Government to be more effective in enforcing change in VET. “It is a better process to extract trade from our state and territory colleagues, to keep them in the tent. We give them one third of their recurrent budget and two thirds of the capital budget for VET. By the end, ANTA was seen as an impediment to rapid change.”

Di Lawson, CEO of the Community Services and Health Industry Skills Council, saw some drawbacks to the passing of ANTA: “ANTA had the advantage of an independent view of the national training system through its industry-led Board. ANTA could provide leadership using this lever. ANTA was also the independent arbiter of appropriate Training Packages and competencies.”

One year into management of the new national training system, staff in DEST had a better appreciation for the challenges ANTA faced in brokering changes between multiple stakeholders. Rebecca Cross explained:

“We underestimated the importance of the process you have to go through to ensure agreement on an outcome. For example, Western Australia had completed a project with a steering committee and presented its report to the Quality Council. Within the Quality Council, those who had not been part of the steering committee did not agree with the project. Western Australia responded by setting up a new steering committee and proposing a report that was not substantially different. This time it was approved as all parties were comfortable with it. ANTA had to manage this type of brokerage all the time. Now we have to ensure the right people are on steering committees and manage them if they do not turn up to meetings.”

The profile of VET was now seen to be enhanced with the investment of the Commonwealth Government and the reinstating of policy capability within DEST. The Council of Australian Governments, which is comprised of the Prime Minister and the Premiers, had also agreed to progress as part of their agenda a number of outstanding difficult issues facing the national system – licensing and regulation. Jim Davidson, Deputy Secretary of DEST believed these changes would not have been possible in the former governance structures. But he cautioned that there was a challenge for policy development in the new arrangements: “Where ANTA saw themselves as leading, DEST sees itself as managing and monitoring. Interestingly, with the limited transfer of staff from ANTA, the culture and remnants of ANTA are fading very fast.”

Exhibit 1 - Structure of DEST 2005

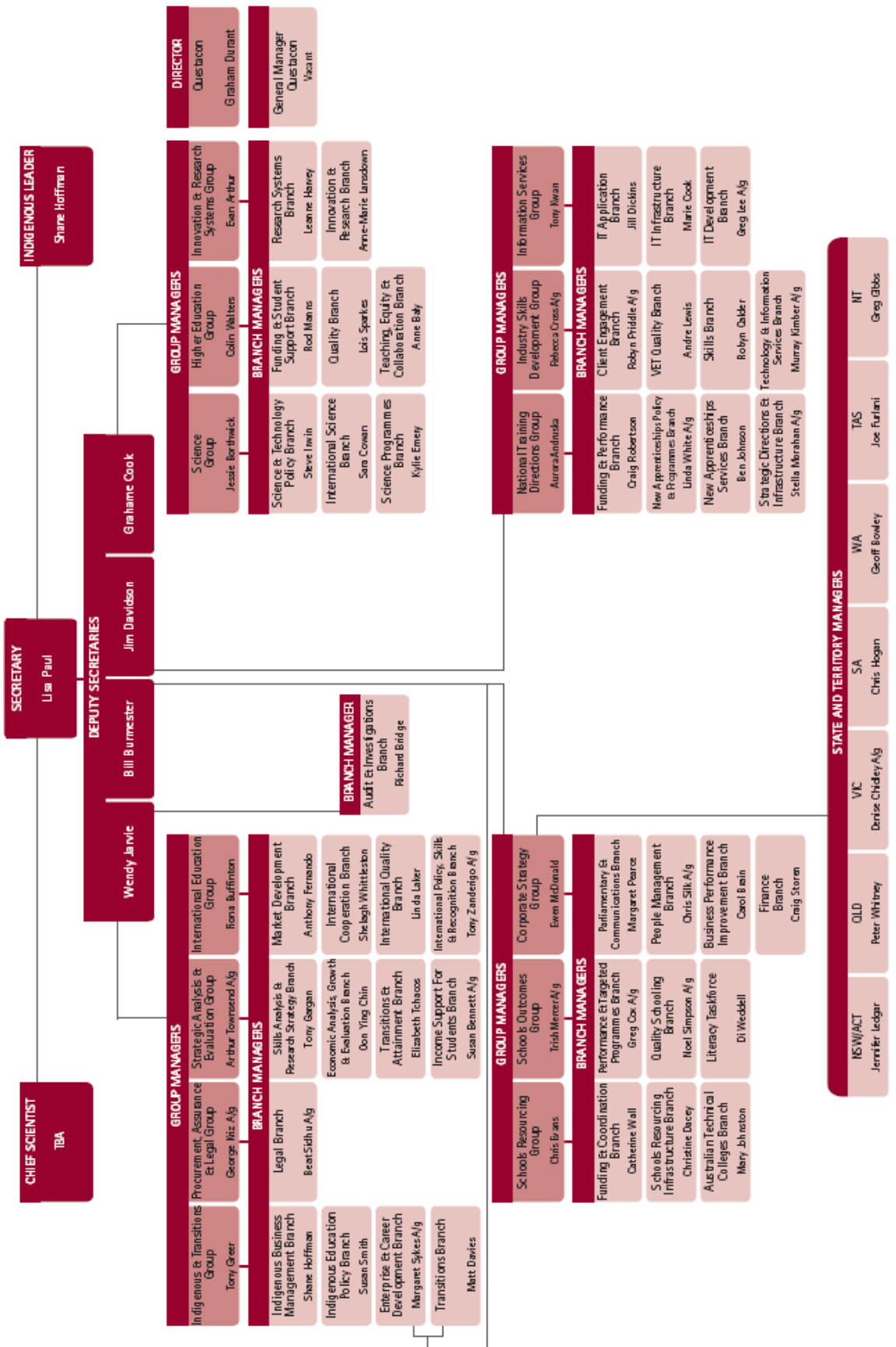


Exhibit 2 – Structure of National Training System under DEST

