

Report of External Evaluation and Review

NZ Marine Industry Training Organisation

Highly Confident in ITO performance

Confident in capability in self-assessment

Date of report: 18 September 2013

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Purpose of this Report

The purpose of this external evaluation and review report is to provide a public statement about the industry training organisation's (ITO) performance and capability in self-assessment. It forms part of the accountability process required by Government to inform investors, the public, trainees, communities, employers, and other interested parties. It is also intended to be used by the ITO itself for quality improvement purposes.

Introduction

1. ITO in context

Name of ITO:	NZ Marine Industry Training Organisation
Gazette recognition date:	1 May 2010
Gazette coverage:	'Pursuant to section 5 of the Industry Training Act 1992, the Boating Industries Association of New Zealand Incorporated (trading as the NZ Marine Industry Training Organisation) is granted full recognition to set standards at Levels 1 to 10 on the National Qualifications Framework for a further period of five years, with effect from 1 May 2010 to 1 May 2015, for the design, building and manufacturing of yachts and boats from small dinghies to ocean-going motor and sail yachts up to an overall length of 120 metres (400 feet), marine oriented supporting activities such as the buying and selling of craft, maintenance and servicing of these vessels (excluding power boat servicing), the distribution and retailing of marine products and services, marina operations, and the manufacturing of composites products (excluding aeronautical composites, which are covered by the Aviation, Tourism and Travel ITO).'
Number of qualifications registered on NZQF:	11
Number of standards registered on NZQF:	274
Number of trainees:	450 trainees including 230 STMs (Standard Training Measures). Approximately 10 per cent are Māori and 2 per cent are Pasifika trainees, with

	a very small percentage of female trainees.
Number of staff:	Eight full-time, one part-time
Number of registered workplace assessors:	NZ Marine ITO's five field officers are the only assessors used by NZ Marine ITO. Workplace trainers support the assessment process through workplace verification of trainees' experience, competence and evidence.
Distinctive characteristics:	<p>NZ Marine ITO arranges on-job and off-job training. It is a division of the Boating Industries Association of New Zealand Inc (trading as the NZ Marine Industry Association), and also functions as the Modern Apprenticeship coordinator for the marine and composites industries.</p> <p>NZ Marine ITO became the marine industry Modern Apprentice coordinator in 2000. Field officers visit all regions of New Zealand on a regular cycle of at least once every three months, but more typically every eight to 10 weeks and otherwise on an as-needs basis. The organisation provides 'face-to-face' and mentoring support on-site to employers, workplace trainers, trainees and apprentices, particularly when identifying the appropriate qualification and arranging training plans.</p>
Recent significant changes:	<p>In 2007, the ITO's coverage was extended to include the composites manufacturing industry. In 2009, Boatbuilding ITO became NZ Marine ITO.</p> <p>NZ Marine ITO monitors and reviews existing qualifications to ensure they stay current, meet industry requirements and allow for clear pathways to more advanced training. It is currently scheduled to complete the NZQA Targeted Review of Qualifications process in 2014.</p>
Previous quality assurance history:	<p>The NZQA audit in 2010 contributed to the ITO's re-recognition period being determined by the Tertiary Education Commission (TEC) at the maximum period allowed at the time of five years (i.e. until 2015). At the audit, the Boating ITO (now NZ Marine ITO), met all but two requirements of the quality assurance standard that applied at the time. The two requirements not met related to:</p> <p>1.2.2 <i>Development and review of unit standards</i></p>

and national qualifications, and 1.2.5 Workplace assessors. There were two qualifications overdue for review that had been overlooked for submission for rollover. Unit standards belonging to other standard-setting bodies were not included in the internal moderation plan for workplace assessors.

NZQA Tertiary Assessment and Moderation (TAM) accepted NZ Marine ITO's action plan in February 2013 and is continuing to monitor the ITO's performance in this area. The plan stated that in future the organisation contracted by NZ Marine ITO to conduct the training and assessment in First Aid would report the credits achieved; the ITO would include all standards for which the ITO is responsible for standard-setting; it would report learner results in its assessment plan submitted annually to TAM, contract a person to review its recognition of prior learning (RPL) processes, and would not use one unit standard until it was amended or replaced by purchasing commercially available assessment materials which it would internally moderate.

NZQA Tertiary Records qualifications data and data analysis shows 98 per cent of the unit standard completions and 95 per cent of the ITO's qualifications are reported within three months of achievement.

Other:

Since the global financial crisis, the boating industry has experienced a downturn in the volume of its work, which is currently focused more on rebuilds and maintenance than on building new super yachts. Commissioned research suggests that the industry's growth will resume and increase from 2013.

In 2012, NZ Marine ITO had 450 trainees compared with 630 for 2011. This fall was mainly due to the global financial crisis but also to a change in TEC reporting arising from an industry training review. In addition, for reasons beyond the ITO's control, it has not been able to migrate all data to NZ Marine ITO's new training management system database and report it to the

TEC, so the details for 2013 to date are incomplete. The ITO was allocated 350 STMs in 2012 (190 ITF, 160 Modern Apprenticeships) and achieved 220 STMs which was six below its projected internal budget. For 2013, NZ Marine ITO was allocated 235 STMs (120 ITF, 115 Modern Apprenticeships) by the TEC, but this reduction was not ITO performance-related.

2. Scope of external evaluation and review

The scope of the external evaluation and review (EER) of NZ Marine ITO included the following focus area:

- Governance, management and strategy.

This is not a mandatory focus area for ITOs. However, NZ Marine ITO and NZQA agreed that it was particularly worthwhile in this case for this ITO and the way it operates.

The other focus areas were:

- National Certificate in Boatbuilding (Level 4)
- National Certificate in Boatbuilding (Marine Electrical and Electronic Installation (Level 4)
- National Certificate in Marina Operations and Services (Level 3) with strands in Administration and Operations.

This is a traditional and core area for the ITO, with qualifications and resources that were reviewed as part of and after its approval in 2010, including embedding literacy and numeracy. The ITO's self-assessment and review in this area is ongoing and will inform the NZQA Targeted Review of Qualifications. About 80 per cent of the ITO's activity is related to the National Certificate in Boatbuilding and particular strands. The EER focused on the following boatbuilding strands: Marine Cabinetmaking, Alloy Boatbuilding, Composite Boatbuilding, Marine Systems Engineering, Composite Production Trailer Boats, and Alloy Production Trailer Boats. This national certificate is achieved predominantly through on-job workplace training, but the ITO has also arranged off-job training with two institutes of technology and polytechnics and the Traditional Boatbuilding School.

The National Certificate in Boatbuilding (Marine Electrical and Electronic Installation) was approved July 2011, 12 months after the National Certificate in Boatbuilding. The content is clearly an integral part of boatbuilding and was included because it is an additional and relatively new area for the ITO.

The National Certificate in Marina Operations and Services with strands in Administration and Operations was chosen as a focus area because it is also a relatively new qualification approved in July 2011. The ITO has overseen education and training for this qualification the past 18 months or so, and it is currently undergoing review by the New Zealand Marina Operators Association. This will contribute to the Targeted Review of Qualifications and gives another insight into how the ITO operates with its various partnerships and stakeholders.

3. Conduct of external evaluation and review

All external evaluation and reviews are conducted in accordance with NZQA's published policies and procedures. The methodology used is described fully in the document Policy and Guidelines for the Conduct of External Evaluation and Review available at: <http://www.nzqa.govt.nz/for-providers/keydocs/index.html>) [Refer to ITO supplement]. The TEO has an opportunity to comment on the accuracy of this report, and any submissions received are fully considered by NZQA before finalising the report.

A team of two evaluators spent three days at NZ Marine ITO's head office in Westhaven, Auckland. The evaluators spoke to the executive director of the NZ Marine Industry Association (who is also the chief executive of the NZ Marine Export Group) and met the chair and members of the Marine Industry Training Board. The evaluators also met and talked with the general manager of the ITO, the ITO's team leader and its five field officers and support staff. The evaluators also visited a large boatbuilding company and spoke to the human resources manager who is responsible for training, coordinators, trainers and apprentices. A range of other interested parties was also contacted before, during or after the site visits for their input into this evaluation.

A range of the ITO's documents was reviewed to complement and triangulate information gained from evaluative conversations, including: governance and management documents such as strategic and business plans, reports to the board and board minutes, quality management system policies and procedures, training and assessment resource materials, moderation reports, evaluations and feedback, achievement and research data, the online industry learning management system and the ITO's website.

Meetings with the TEC and NZQA's Tertiary Assessment and Moderation, Qualifications Records and Service Delivery teams were held prior to the site visit to inform this evaluation.

Summary of Results

Statement of confidence on ITO performance

NZQA is **Highly Confident** in the performance of NZ Marine Industry Training Organisation.

The ITO's governance and management support the ITO to meet and sometimes exceed its statutory functions. The ITO understands and meets the needs of its industry, trainees and Government very well, and consequently the value of the outcomes for its employers and their trainees is very high. Trainees achieve extremely well because of the effectiveness of the training arranged by the ITO and the quality of the assessment undertaken towards industry standards and qualifications.

NZ Marine ITO has a clear sense of purpose and direction which is well informed by a wide range of industry connections, research and experience. It invests significantly in ongoing development of technological resources that support successful training and assessment and also support the trainees, their trainers and employers. The ITO effectively anticipates and responds to change based on its interconnectedness with a wide range of diverse but related boatbuilding industries and interested parties and effective research-based future scanning.

NZ Marine ITO's trainees and apprentices gain a range of credible standards and qualifications in the marine industry, which are also transferable and applicable to other trades and employment. They include boatbuilding, working with composites, working with alloys, cabinet making, welding, marina operations, design, retail and first line management. The standards and qualifications also provide pathways to employment or future training within boatbuilding or related trades, although the uptake and effectiveness and success of the pathways are still in the early stages.

Apprentices who learn on the job contribute to the productivity of the company which employs them and sometimes have the opportunity to experience 'lean' (efficient, effective and competitive) manufacturing and its benefits. Trainees become highly and widely skilled, based on sound knowledge and a practical, applied understanding of theory. They maintain their employment, gain increases in pay as they achieve standards and qualifications, strengthen their claims to promotions, and gain the opportunity to work overseas where New Zealand boatbuilders are very highly regarded and sought after.

By working together, the ITO, its trainees and the industry employers responsible for the delivery of the training (assessed by the ITO's field officers), maintain and develop the knowledge, skills and capabilities that the marine industries need. The training contributes to ensuring that marine industries have a sufficient and skilled workforce that meets current and future industry needs. The ITO supports the marine industry effectively by providing advice and support to industry, employers and trainees with regard to skills development; the industry in turn contributes to this process and values the ITO and supports it.

Final report

Statement of confidence on capability in self-assessment

NZQA is **Confident** in the capability in self-assessment of NZ Marine Industry Training Organisation.

NZ Marine ITO's effective performance is based on sound research and a range of feedback on standards, qualifications, arranged on-job and off-job training, and assessment practices. The ITO's future scanning enables it to determine marine industry skills needs and workforce supply and demand for at least the next 10 years. The feedback comes from trainees, trainers, employers, graduates, other interested parties – including international interests – a wide range of marine industries representatives, and its own staff and field officers. Feedback is invariably positive, but the ITO is highly responsive to addressing any areas that are identified as requiring change and any suggestions for improvement. The ITO was able to show a wide range of changes it has made over a number of years, almost all of which were actual improvements at the time, even if some have been replaced by further changes and improvements since.

The evaluation team considers that the ITO has many strengths in performance and self-assessment, and regularly reviews the necessary skills sets and capability of its field officers along with the capacity needed to enable them to fulfil their important functions. Robust and regular critical internal reviews of performance and competence are supported by professional development opportunities where possible. Assessment and moderation has been a recent focus that has resulted in positive and encouraging development and is regarded as an ongoing need. While tracking graduates' subsequent employment and success is not a current external requirement, one field officer out of five seems to have successfully and consistently captured this. The ITO regards such information as useful and intends to develop it further in the future. The evaluation team acknowledges that the ITO expects that Friends of NZ Marine, a project whereby people can register and keep in touch with New Zealand's marine industry, should make this process easier, especially in capturing and maintaining the international destination outcomes of graduates. Currently, the ITO does not capture and record the valuable informal and anecdotal feedback it gathers, and use it as well as it might. Although the evaluation team agrees that that this is not always easy to do, it considers that the ITO's learning management system and trainee management system, once fully developed and operationalised, should be real assets in these areas.

Findings¹

1.1 How well does the ITO understand and meet the needs of industry, trainees and government?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

The ITO has recognised that New Zealand's marine industry is diverse and highly interconnected, and this has contributed to how well it understands and meets the needs of industry, trainees and Government. For example, the ITO has identified that there are approximately 656 boatbuilding-related firms and these businesses employ 3,840 workers. But it has also noted that there is a wider range of businesses, mainly small businesses – including component manufacturers, equipment and clothing manufacturers, designers and project management brokers – which, along with boatbuilding companies, employ about 7,900 workers. The ITO's coverage for the composites industry represents a sector that employs approximately 2,000 full-time employees.

The ITO has realised that its challenge is to ensure that it has standards and qualifications and arranged training that meet the needs of a diverse industry and a few large employers and many small ones. To this end, it has developed national certificates and arranged training not only in boatbuilding and its several strands, but also in marina operations, boat sales and brokerage, marine retail and distribution, competitive manufacturing and first line management.

NZ Marine ITO is fully integrated with its industry. It has strong and wide industry engagement with all its various specialist industry sector groups, including exporters, compositers, refitters, manufacturers, naval architects, marina operators, boatbuilders, engineers, welders, cabinetmakers and suppliers. These groups have allowed NZ Marine ITO to be fully responsive to the training requirements of the marine and composites industries. Through ongoing consultation and engagement with the various sector bodies and their representatives, NZ Marine ITO has an intimate knowledge of the skills and labour market requirements of the marine and composites industries, and this includes developing appropriate future pathways.

NZ Marine ITO intends to develop only industry-relevant qualifications, to quality assure them, and to provide clear training pathways for learners that are accessible and achievable based on mainly on-job but with some off-job training. The ITO has no current plans to offer degrees as the programmes offered satisfy employer requirements and are designed to pathway learners into existing related degree

¹ The findings in this report are derived using a standard process and are based on a targeted sample of the organisation's activities.

qualifications such as in design. However, the ITO has identified additional qualification opportunity pathways to advanced level training. It has continued to develop diploma-level qualifications at level 5 on the New Zealand Qualifications Framework to meet industry skills that include supervisory and management requirements. For example, the National Diploma in Boatbuilding allows apprentices a clear pathway into advanced-level training. The ITO is also collaborating with Unitec Institute of Technology in the development of a Diploma in Marine Design/Draughting, but whether the development of a new qualification outside the NZQA Targeted Review of Qualifications process is possible has yet to be determined.

As part of a continuous improvement process, NZ Marine ITO is further monitoring and reviewing all existing qualifications to ensure they stay current and meet industry requirements, allowing for clear pathways to advanced-level training. For example, the National Certificate in Marina Operations and Services with strands in Administration and Operations is a relatively new qualification approved in July 2011, and the ITO has overseen education and training and conducted assessments for this qualification only for the past 18 months or so. The Marina Operators Association is currently reviewing the qualification, which will contribute to the Targeted Review of Qualifications. NZ Marine ITO is currently scheduled to complete the review process in 2014.

The industry-led and research-based nature of the ITO enables it to provide effective strategic leadership. For example, arising from the recent downturn in the sector, mainly driven by the global financial crisis and the high value of the New Zealand dollar, the NZ Marine Industry Association recently undertook a survey through to assess the boatbuilding industry outlook over the next 10 years. Although much current work is focused on rebuilds and refits, based on the report's findings the outlook is particularly strong, with all sectors expecting an average annual growth rate of 4 per cent over the next 10 years. In the meantime, the ITO is actively promoting Lean Marine Thinking, which supports the benefits of productivity efficiency programmes delivered through competitive manufacturing qualifications. This has begun to show how lean systems and practices can help marine companies achieve significant productivity benefits and also help motivate employers and their employees, including trainees/apprentices.

Much of the marine industry's current and future growth is expected to be through exports and an increasing share of marine industry business internationally. The ITO realises that it therefore has to meet international as well as domestic boatbuilding requirements. It has researched the national certificate programmes it has developed and reviewed them to provide state-of-the-art boatbuilding and composites training to world-class standards. This standard has been recognised through the licensing of learning materials for training programmes to Canada, with China a distinct future prospect.

The ITO also expects the domestic market to make modest but steady increases over the next five years. Initiatives such as Auckland City's development of several

key marine precincts will enhance super yacht building capability and support growth, as will developments in Tauranga and Port Nikau in Whangarei.

The industry and Government have a close working relationship and have identified the marine industry as New Zealand's largest non-primary based manufacturing industry. The ITO realises that future growth will place pressure on it to meet the related demand for more skilled people.

Currently, NZ Marine ITO markets and promotes industry training to potential trainees through a wide range of activities, including the design of a Gateway Limited Credit Programme specifically targeted at secondary school students considering a career in the marine or composites industries. NZ Marine ITO has expanded its Gateway relationships to now include 32 secondary schools nationwide. The ITO also promotes the industry at various high school career expos, holds a marine career day in Auckland for career advisors and Gateway coordinators, exhibits its services at boat shows, and supports and arranges the Marine Trades Challenge event.

NZ Marine ITO's self-assessment shows a high level of satisfaction with how well the ITO understands and meets the needs of industry, trainees and Government. It shows that industry, employers and trainees/apprentices provide valid advice and feedback about the skill development needs of the boatbuilding industries, which in turn enables the ITO to ensure that the skills development and training it arranges reflect the requisite skills and training needs and career pathways the sector's industries require. It also enables the ITO to provide effective advice on skills supply and demand and development to Government, crown agencies, tertiary providers (including institutes of technology and polytechnics) and other, related ITOs.

1.2 What is the value of the outcomes for employers and their trainees?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

At first, some would-be trainees cannot see themselves as boatbuilders, but they can see themselves learning one or more of the different trades that contribute to building a boat. Once they appreciate the wide range of knowledge and skills that go into building or refitting a boat, they are more likely to entertain the idea of training to become a boatbuilder. Trainees/apprentices gain credible and relevant marine industry unit standards and qualifications in related trades such as boatbuilding, composites, cabinet making and welding that meet the needs of trainees and their employers. While most trainees and apprentices are committed to boatbuilding as a career and continued employment in the industry before they start, the trades knowledge and skills they learn are also transferable to other areas if graduates do not continue in boatbuilding. In addition, although they may not see

themselves as designers, trainees develop drafting and lofting (laying out a full-scale working drawing of the lines of a vessel) knowledge and skills as part of building a boat, which can also lead to other pathways and employment if necessary. This is important given that employment is subject to supply and demand and the (re)growth of an industry arguably affected more than many other by the global financial crisis. Trainees can also gain transferable knowledge and skills in areas such as retailing, although the skills learned are marine-specific.

Most of the training is on the job. Trainees/apprentices in training also contribute to the productivity of the employer for a significant period of time, typically taking about 4.5 years to achieve completion of their qualification(s). This is reasonable and realistic for such a model of training and learning on the job while gaining relevant knowledge and skills. Trainees/apprentices support their employer and industry while they learn, and the industry retains, develops and advances skills and capability in their industries, which they value. In this way, the ITO and companies/employers together contribute to developing a sufficient and skilled workforce and capability that meets current and future needs. Training and learning integrates theory with practice, which is highly effective. Trainees/apprentices can also experience thinking 'lean' and developing and using lean practices in the marine industry, and these also are relevant to any manufacturing or other business or human endeavour.

Trainees/apprentices develop knowledge and skills related to literacy and numeracy and personal confidence. Learning by using interactive technologies such as RudderLive (an online learning management system) within a business/industry/employment context helps trainees learn how to learn and self-manage which they might otherwise not do. Each trainee has their own page on RudderLive showing their progress to date and their current individual learning plan. Field officers can also access trainees' sites to view trainees' learning plans, generate reports, manage durations and carry out other administrative functions. Some trainees succeed in achieving unit standards and qualifications for the first time, while others such as university graduates achieve what they have always wanted to do, make a living from building boats.

Trainees gain increases in pay as they learn and complete unit standards and qualifications. Upon graduation, they maintain ongoing employment, and can gain promotions and access international and global opportunities. The ITO was able to give anecdotal examples of such possibilities being successfully achieved and expects that the development of Friends of NZ Marine will support it being able to gather and capture such information more robustly in the future. One field officer has apparently been able to capture destinational outcomes successfully for the past three years, and there does not appear to be any reason why all field officers could not do the same.

Self-assessment is based on formal evaluations and surveys as well as informal and anecdotal feedback. Programme, unit standard and qualification completions reflect a high level of satisfaction with the training that the ITO arranges and supports, and with the assessment(s) conducted by the field officers. Self-

assessment also shows how well the ITO contributes to ensuring that the marine industry has a sufficient and skilled workforce that meets the needs of its related industries.

1.3 How well do trainees achieve?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Excellent**.

NZ Marine ITO is a consistently high-performing ITO in terms of the TEC's performance criteria. Most of the ITO's trainees are at levels 3 and 4. Credit achievement in 2011 and 2010 was 100 per cent overall compared with medians for all ITOs of 62 per cent and 53 per cent respectively. This ranked NZ Marine ITO fifth out of 36 ITOs in 2011, and third out of 38 ITOs in 2010. In 2011, NZ Marine ITO's programme completion rate was 100 per cent overall compared with a median for all ITOs of 52 per cent; and in 2010 it was 66 per cent compared with a median of 47 per cent. This ranked it fourth out of 36 ITOs and eighth out of 38 ITOs. Both the TEC and the ITO expected the results for 2012 and 2013 to be very similar to the high levels for 2011.

At the time of the EER, overall credit achievement was tracking at 80 per cent, which was expected to increase, while programme completions were at 100 per cent. Recently released TEC data for 2012 has confirmed NZ Marine ITO's credit achievement was 81 per cent overall compared with a median of 66 per cent for all ITOs which ranked it ninth out of 32 ITOs. In 2012, its programme completion rate was 100 per cent overall compared with a median of 69 per cent for all ITOs which ranked it second out of 32 ITOs. It was too early for the TEC to release comparative analysis with other ITOs for 2013.

Major contributors to how well trainees achieve are NZ Marine ITO's recruitment and enrolment process and its close tracking and monitoring of the progress of its trainees/apprentices. The RudderLive management system used by field officers provides real-time information at any time and contributes to weekly reports and meetings as well as monthly reports to the board and field officer visits to employers and trainees, which occur at least once every three months, although usually every eight to 10 weeks.

The RudderLive learning management system measures credit achievement over the anticipated duration of the qualification. A high level of credit achievement within the anticipated duration of the qualification indicates a high level of achievement. Under-achievement of credit results and/or overduration can signal that trainees are not committed to their training, and/or they are struggling, and/or the employer is not providing sufficient opportunities or support. Field officers mentor trainees to pre-empt such situations arising and/or undertake interventions when actions are required.

Withdrawal notifications record the reason(s) why a trainee has withdrawn from training, and this is recorded in RudderLive. There are very few withdrawals but each one is of concern to the ITO and each trainee is personally contacted to discuss the details behind the withdrawal, and the outcomes are recorded. This process enables NZ Marine ITO to learn more about the difficulties/challenges that some trainees face and to anticipate and manage issues before they arise.

In addition, RudderLive is used by the field officer team leader and general manager to monitor and performance-manage field officers as well as their trainees/apprentices, and to promptly address any trainee issues that may arise. RudderLive also contributes to 98 per cent of all results and 95 per cent of all qualifications being reported to NZQA within three months of achievement.

The ITO is increasingly finding that the completion of low-credit programmes as part of schools' Gateway programmes or prior to signing up to a training or apprentice agreement, helps ensure the robustness of the recruitment and enrolment process and the subsequent success of the trainee or apprentice.

1.4 How effective is the training arranged by the ITO?

The rating for performance in relation to this key evaluation question is **Good**.

The rating for capability in self-assessment for this key evaluation question is **Good**.

The prime focus of NZ Marine ITO is to arrange and coordinate the training of apprentices to level 4 (tradesperson level) on the New Zealand National Qualifications Framework. About 80 per cent of the ITO's activity is related to the National Certificate in Boatbuilding and its several strands. The National Certificate in Boatbuilding (Marine Electrical and Electronic Installation), which was approved 12 months later, is closely related. NZ Marine ITO also offers specialist national certificate programmes in Boat Sales and Brokerage, Marine Retail and Distribution, Marina Operations, Competitive Manufacturing and First Line Management.

The training arranged by NZ Marine ITO is mainly on the job, with some off-job training. This mix of training is appropriate and ensures that trainees gain relevant knowledge and skills for the boatbuilding workplace. NZ Marine ITO recognised that to enable working New Zealanders to complete nationally recognised qualifications in the key areas identified by the Government, it would need to arrange high-quality on-job training delivery supported by appropriate off-job training through provider contracts with set outcomes. The ITO conducts course evaluation reports and follows up with learners and businesses to ensure that this is happening.

Aware that the New Zealand marine industry has a high percentage of small to medium-sized businesses, the ITO has developed industry training that is predominantly skills and competency-based, supported by specialised off-job

courses and self-learning resources. The achievement of successful outcomes for apprentices/trainees progressing through industry training very much depends on how well companies establish workplace mentoring and training structures. Experience has shown the ITO that where companies do have effective mentoring and training structures in place, apprentices/trainees are more likely to succeed. Having identified that companies are not necessarily equipped with the skills to maximise training opportunities within the workplace, the ITO works with and supports employers through upskilling workplace mentors and training workplace coordinators. It has also introduced the *Employers Guide to Training an Apprentice*, which provides readily accessible advice about what the employer needs to provide and do to gain, train and support an apprentice. The ITO and employers have found the resource useful in helping to establish and develop effective workplace structures. The evaluation team's visit to a large employer confirmed the importance of the ITO's support and the ongoing development of consistent internal employer practice.

NZ Marine ITO has developed a computer-based learning management system, RudderLive, which allows apprentices/trainees online access to enhanced and interactive learning material anywhere at any time. This allows for greater control over the learning, resulting in higher qualification achievements. RudderLive provides a technology-based blended learning option that complements the hard-copy workbook style of delivery traditionally available to trainees, and helps secure and retain their engagement.

There are many advantages of RudderLive over traditional training resources, some of which are still to be fully realised. For example, videos can be embedded in the text, helping to clarify the concepts being described. Interactive 3D modelling can be used to explain subjects like boat design and lofting, and self-marking review tests can be inserted at intervals as comprehension checks for the material recently covered. Interactive technology-based training appeals to the target trainee group, where trainees have a sense of controlling the progress of their learning by going online at times that fit in with the other priorities of their lives. The audio, video and interactive components cater to a wide range of learning styles, supplemented by on-job experience and trainer and ITO field officer support.

A social networking platform is being developed where trainees can upload videos/photos as evidence of projects they are working on, which can also be turned into training videos. There are also social networking options, one of which is via RudderLive, which support a New Zealand-wide and international community of practice of modern boatbuilders.

RudderLive is increasingly being embedded with literacy, language and numeracy skills. The previous resources, called study notes, are being rewritten in 'plain English', and literacy and numeracy teaching activities are being embedded. A glossary of marine industry terms is available at the click of a mouse, and the system also teaches a 'word of the day' randomly selected from the glossary. NZ Marine ITO is committed to continuing to develop new study note resources (training delivery and assessment material) to add value to the learning process

and outcome. Feedback from apprentices/trainees has been extremely positive, and according to the ITO is assisting it in achieving higher credit and programme completions.

RudderLive not only supports trainees in the ways mentioned above, but can also be used to support and mentor workplace trainers. Apprentices spend 95 per cent of their time on the job, but many workplace trainers currently do not have higher education or training backgrounds. RudderLive can address this with online resources for workplace trainers, combined with professional development support from ITO staff.

One of the factors contributing to the effectiveness of the training arranged by NZ Marine ITO is the recruitment, selection and enrolment process. School leavers considering training/apprenticeship in boatbuilding include secondary students who have experienced a Gateway programme (there are currently 32 schools with Gateway boatbuilding programmes), or ITO-sponsored promotion (this may be an event or publications such as *Become One* or *Become a Composites Technician*) or have experience in related skills areas such as woodwork, metalwork or engineering. NCEA level 2 is a common minimum requirement, and would-be apprentices/trainees typically undergo a basic literacy and numeracy test. Motivation and attitude are explored through a conversational interview, and spatial recognition has been found to be a useful adjunct to the literacy and numeracy test. The subsequent enrolment and administration of the training itself is highly developed and is based on ensuring that it enhances and supports effective training and does not provide an impediment or barrier to learning.

The key to the success of the arranged on-job training are the NZ Marine ITO field officers who also act as the Modern Apprenticeship coordinators. The field officers provide effective and crucial 'face-to-face' on-site support to employers and workplace trainers/facilitators. They provide valuable mentoring and support to all apprentices, ensuring that positive outcomes are achieved from the training environment. This allows them to build strong relationships with both the apprentices and the company trainer/manager, where their mutual understanding of the business and training environment inside the organisation is vital, particularly when identifying appropriate standards and qualifications, training plans and related assessments, and ongoing progress to achievement.

The off-job training supports on-job training and is based on the ITO's agreements with two institutes of technology and polytechnics, Unitec and North Tec, as well as the Traditional Boatbuilding School, a private training establishment dedicated to preserving traditional boatbuilding skills. The off-job training comprises two-week block courses and/or night classes, which suit the employers best because such courses are less disruptive to the productivity of the workplace than longer daytime off-job training. The off-job training is based on the theory that underpins practical skills but can include drawing and design skills such as lofting. Whether attendance is mandatory is most often at the discretion and advice of the employer supplying the on-job training, the company that employs the trainee/apprentice

and/or the ITO. However, some employers, especially larger employers, make attendance compulsory.

The ITO actively monitors the progress of trainees and supports them well to succeed. It also ensures that the training it arranges meets the skills needs of employers and trainees and, if not, the ITO acts promptly and responsively.

The ITO's ongoing self-assessment information, including evaluations, from trainees/apprentices, workplace trainers, employers, field officers/assessors and off-job providers is generally very positive, although self-assessment once a year at the annual meeting needs to be supplemented with more ongoing feedback. However, despite the quality of the support resources and assessment materials, the structuring of the on-job training to meet individual trainee needs in relation to company needs to maintain production appears to require more consideration and further or different levels of interaction with some employers, and even with off-job providers who may want or need more support. The ITO and its field officers gather a lot of information – formal, informal and anecdotal – but it is possible that despite its high value, the information may not always be captured and/or used as well as it could be.

1.5 What is the quality of the assessment being undertaken towards industry standards and qualifications?

The rating for performance in relation to this key evaluation question is **Good**.

The rating for capability in self-assessment for this key evaluation question is **Good**.

The quality of the assessment undertaken for industry standards and qualifications is sound, valid and reliable. Trainees/apprentices/on-job trainers and employers, and the ITO field officers are all clear about what the trainees/apprentices have to do in their training in order to ready themselves for assessment and to succeed. Trainers and employers have a role in contributing to the assessment process by ensuring that trainees have sufficient opportunities and experience to gain the knowledge and skills necessary to successfully complete assessments. RudderLive enables all parties to access trainees' progress and what is needed next. Sometimes this can be challenging as a result of the tension between the employers' workload and workflow productivity demands and the range of different experiences trainees need to complete the range of standards to fulfil the requirements of the qualifications. Apprentices shared with the evaluation team their frustrations with sometimes having to wait longer than they wished to move onto the next phase of their training and experience. That said, in some cases they also showed a healthy appreciation of their involvement in, and the effectiveness of the contribution of, lean practices to productivity. For example, they shared that where there was a delay in their being trained to use the gantry crane they had to get someone who had been trained and was able to train them, which delayed their work and took someone else away from theirs. The ITO field officers and on-job

trainers and employers share an important responsibility in managing such challenges consistently within their companies.

The field officers are all experienced in various aspects of the boatbuilding industry and all have the unit standard that is the minimum requirement for all workplace assessors. The trainees, trainers/employers and the field officers access training resources, study notes and assessment guides (currently being updated), and assessments, which include embedded literacy and numeracy, making them easy and helpful to use. Field officers are committed to visiting apprentices at least once every three months, but in practice usually succeed in doing so every six to eight weeks. Their team leader checks each assessment to ensure that the ITO's processes are being followed, and the contracted national moderator also assures the quality of the assessments. NZ Marine ITO is fully aware of the importance of the authenticity of the assessments completed by trainees and uses a range of strategies to assure this.

Wherever any external or internal feedback identifies any apparent deficiencies, ranging from trainee or graduate to field officer performance, they are promptly addressed by the ITO to the chief executive or operational manager or team leader as appropriate. The ITO's practices and responsiveness to addressing external and internal assessment issues that arise occasionally assure the evaluation team that the high achievement of unit standards and qualifications – which are reported in a timely manner – are based on effective and valid assessment and moderation practices, despite their potential to be even better.

The recognition of the importance of ongoing external as well as internal moderation of assessment materials and assessment evidence and decisions contributed to the decision to contract the national moderator. The ITO also works with other ITOs and NZQA to ensure that any non-compliances or gaps identified in assessment are addressed. The ITO's assessments are generally valid and fit for purpose, but the evaluation team considers that the emphasis on compliance by the team leader and national moderator and their feedback to individual field officers may detract from realising the full potential for quality and consistency in the assessment of the marine (and other ITO's) unit standards. The evaluation team considers that the ITO has not made full use of its self-assessment information and tools and personnel in these important areas. For example, the sharing of assessment practice by all field officers led by the national moderator and team leader, and further professional development of the field officers – including with assessment design and moderation – would help strengthen the capacity of the field officers and the ITO. Their active involvement in the review of recently introduced qualifications and the targeted review of the boatbuilding qualifications in 2014 could help increase their knowledge and understanding.

1.6 How well does the ITO's governance and management support the ITO to meet its statutory functions?

The rating for performance in relation to this key evaluation question is **Excellent**.

The rating for capability in self-assessment for this key evaluation question is **Good**.

The ITO's governance and management support the ITO to meet its statutory functions effectively and achieve its mission statement: 'Provide leadership in the development of skills and training excellence, to the marine and composites industries'.

Recognising that one of the key factors in a successful marine industry is the skill of its employees, NZ Marine ITO has continued, since its establishment as the Boating ITO in 1994, to identify how it can better support and deliver the knowledge and skills that support apprentices/trainees in industry training. The 'industry-led' nature of the industry training system helps ensure that NZ Marine ITO provides strategic leadership in arranging and supporting industry training relevant to the marine and composites industries.

The ITO is governed by a board of 10 members who represent the different key sectors of the industry, and board members generally have apprentices in training within their own organisations. The board also includes representatives from the NZ Marine ITO management team – which supports the effectiveness of governance and management in supporting the ITO to meet its statutory functions – and the Engineering, Printing and Manufacturing Union. The ITO contracts additional specialist business skills relating to financial, legal, marketing, technological or administrative needs not already represented on the board on an as-needs basis. The effectiveness of management is supported by capable administrative staff who follow detailed documented processes that ensure continuity, including the recording and reporting of results, but only after the appropriateness of the assessing and gathering of evidence has been verified.

The ITO's connectedness with its industry and leadership has resulted in strong industry penetration and support. TEC data shows 31 per cent industry financial support, only 1 per cent above the 30 per cent that TEC expects, although several other ITOs have historically struggled to achieve this level of support. NZ Marine ITO showed that its actual level of financial support is much higher when the number of hours provided to trainees for the purpose of training and the cost to the employer is included. This was based on a test of an organisation with the largest number of trainees at the time (2011) conducted by chartered accountants commissioned by the ITO to determine the types of contribution and percentage (69 per cent by TEC).

Future training is absolutely critical to the ongoing success and continued growth of the marine and composites industries. Building on the solid history of systematic trade training, NZ Marine ITO focuses on training boatbuilders and those in other

key related trades, as well as composite technicians and other industry personnel to meet the skills requirements of these industries.

NZ Marine ITO graduates achieve credible standards and qualifications, which meet the needs of industry, to the extent that they are highly valued. Most apprentices take on average 4.5 years to complete, but the length of time for completion is coming down. NZ Marine ITO holds a formal industry graduation event annually to acknowledge the success of its industry graduates because graduation marks a major milestone in the careers of graduates, which is also recognised by their employers, parents, trainers and others that have supported them on this journey. Since holding its first industry graduation in 2001 with the first 22 graduates, NZ Marine ITO has now trained some 1,350 graduates to date.

The NZ Marine ITO philosophy towards industry training has been to develop a whole system that supports apprentices/trainees and employers to achieve quality outcomes that contribute towards industry economic benefits and deliver on the Government's Tertiary Education Strategy. Building on the solid history of systematic trade training, NZ Marine ITO has continued to focus on supporting the training of boatbuilders and other key related trades, composite technicians and other industry personnel to meet the skills requirements of these industries. The key to the success of this are the NZ Marine ITO field officers and their role as Modern Apprenticeship coordinators. The criteria for appointment of field officers include their knowledge, experience and understanding of the three current statutory functions of ITOs.

The ITO ensures that off-job training is accessible. While most of the training takes place on the job, off-job training is available through Unitec, NorthTec and the Traditional Boatbuilding School. The extent of the purchase of off-job training is very much related to its impact and the potential numbers of trainees that might take it up. Feedback suggests that the quality of the off-job training complements that of the on-job training and is integrated with it as well as it can be, since employees' knowledge and skills vary considerably.

NZ Marine ITO markets and promotes industry training to potential trainees through a wide range of activities, including the design of a Gateway Limited Credit Programme specifically targeted at secondary school students considering a career in the marine or composite industries. NZ Marine ITO has expanded its Gateway relationships nationwide.

Governance and management work closely together in supporting the ITO to successfully meet its statutory functions. Its board and management are well served by formal and informal feedback from a wide range of interested parties in the sector including trainees/apprentices, trainers, employers and field officers. The reporting of training, unit standards and qualification progress and completions and durations is based on real-time information from RudderLive. Financial reporting informs the ongoing support of leadership, unit standards and qualifications maintenance and development, and arranged training.

The ITO clearly resources meeting its statutory functions well, most recently evidenced by its investment in its trainee management system as a consequence of the TEC-led industry training review. This will enable it to report STM and educational performance data directly to the TEC Industry Training Register system. Unfortunately, for reasons beyond the control of the ITO, the reporting of the ITO's performance data for 2012 was delayed by challenges in the migration of data to NZ Marine ITO's new training management system database. Consequently, publication of final data for 2012 (now completed) and interim data for 2013 by the TEC was delayed. The published workspace reports that state the progressive achievement status of each ITO, and which are updated monthly as Industry Training Register data is retrospectively recognised, have been delayed for 2013.

The ITO does not currently have consistent information about where graduates progress in their careers, apart from information from one field officer and anecdotal and informal feedback. This sort of information would add to the extent of self-assessment and research-based information and the ITO's decisions and support relating to leadership, standards and qualifications-setting and arranging training. The ITO expects that Friends of NZ Marine will help it fill this gap.

Focus Areas

This section reports significant findings in each focus area, not already covered in Part 1.

2.1 Focus area: Governance, management and strategy

The rating in this focus area for ITO performance is **Excellent**.

The rating for capability in self-assessment for this focus area is **Good**.

2.2 Focus area: National Certificate in Boatbuilding (Level 4)/National Certificate in Boatbuilding (Marine Electrical and Electronic Installation (Level 4)

The rating in this focus area for ITO performance is **Excellent**.

The rating for capability in self-assessment for this focus area is **Good**.

2.3 Focus area: National Certificate in Marina Operations and Services (Level 3) with strands in Administration, and Operations.

The rating in this focus area for ITO performance is **Good**.

The rating for capability in self-assessment for this focus area is **Good**.

Recommendations

NZQA recommends that NZ Marine ITO:

- Continue to develop its self-assessment capability so that its self-assessment realises its full potential.
- As part of developing its self-assessment capability, continue to consider and develop the skill sets and capacity of its very important field officers, including the consistency and effectiveness of best practice.

Appendix

Regulatory basis for external evaluation and review

In 2009 NZQA introduced the evaluative approach to quality assurance in the tertiary education sector, consisting of self-assessment and external evaluation and review. This is applied in the quality assurance of programme approvals and accreditations under sections 249 and 250 of the Education Act 1989, as well as for training schemes (section 251), consents to assess against standards (section 252) AND PTE registration under Part 18 of that Act.

The NZQA Board also published policies and guidelines for the conduct of external evaluation and review of ITOs on 27 May 2010. NZQA relies on ITOs to build the self-assessment and external evaluation and review model into their infrastructure. ITOs will be evaluated on their infrastructure and use of the model in the following ways:

- *Advising Ministerial recognition of an ITO under the Industry Training Act, 1992*
- *Accepting arrangements for monitoring and assessing of industry training under section 10 of the Industry Training Act 1992*
- *Registering standards on the Directory of Assessment Standards*
- *Awarding consents for ITOs (or their assessors) to assess against standards on the Directory of Assessment Standards under section 252 of the Education Act 1989*
- *Applying programme approval criteria where ITOs are course owners.*

External evaluation and review is also used by NZQA as a monitoring and evaluation tool, with the outcomes of these processes informing Tertiary Education Commission decisions relating to re-recognition of an ITO. In addition, external evaluation and review reports are one contributing piece of information in determining future funding decisions in relation to an investment plan agreed between an ITO and the Tertiary Education Commission. The understandings and expectations for the implementation of ITO quality assurance are set out in a protocol to the Memorandum of Understanding between NZQA and the Tertiary Education Commission.

This report reflects the findings and conclusions of the external evaluation and review process, conducted according to the policies and criteria approved by the NZQA Board. The report identifies strengths and areas for improvement in terms of the ITO's performance and capability in self-assessment.

External evaluation and review reports are public information and are available from the NZQA website (www.nzqa.govt.nz).

*Information relevant to the external evaluation and review process is summarised in the publication *Policy and Guidelines for the Conduct of External Evaluation and Review*. Two other documents explain how the process is applied to ITOs: *EER Policy and Guidelines – ITO Supplement* and *Evaluation Indicators for Industry Training Organisations*. These documents are available at:
<http://www.nzqa.govt.nz/providers-partners/registration-and-accreditation/external-evaluation-and-review/policy-and-guidelines-for-eer-ito/introduction/>*

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