PROSPECTIVE Industry Partner

INformation sheet

REGARDING RTO SERVICES AGREEMENTs

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| **Acknowledgements** |
| This resource has been compiled from numerous documents and customised to the nature of our business. All original sources have been named in the Reference / Bibliography section should the reader wish to locate more generic information. Where required specific reference has been made throughout the document to note intellectual property. |

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**Comments and suggestions for continuous improvement of this resource are always welcome.**

Contents

1. Purpose of This Document 3

2. RTO Services Agreements 3

3. Benefits of Working Under an RTO Services Agreement 3

4. Choosing the Right RTO 4

5. Scoping an RTO Services Agreement 7

6. Implementing the Services Agreement 10

7. Maintaining a Services Agreement 11

8. Considerations for Training and Assessment Review and Agreement Performance Evaluation 12

References / Bibliography 14

 Purpose of This Document

This document has been developed to assist clients to determine whether an RTO Services Agreement is a suitable option for them. It provides a step-by-step approach to scoping, implementing, maintaining, and evaluating a Services Agreement with a training organisation.

# RTO Services Agreements

RTO Services Agreements (also called RTO Partnerships in some RTOs) are a formal or informal arrangement / agreement between parties. For the purposes of this resource, we will be taking the assumption that an agreement is for the purposes of delivering training and assessment services. An agreement usually entails one party being an RTO and one party being an industry group or business.

Services Agreements arise for a range of reasons; most commonly due to requirements for staff to hold formal Statements of Attainment or qualifications to perform a role or work in a workplace.

# Benefits of Working Under an RTO Services Agreement

The benefits of an RTO Services Agreement include:

* Allows non-RTOs to access nationally accredited / recognised training and assessment, without the cost of setting up and resourcing an RTO themselves
* Allows business owners to focus on their business and do what they do best
* Allows outsourcing of activities – where internal capacity does not exist
* Promotes best practice in industry-relevant training and assessment activities
* Distributes costs and resources for mutual benefit
* Provides RTO with links to industry and developmental opportunities
* Provides opportunity for subject matter experts and enterprise trainers and assessor to have input into training and assessment activities.

# Choosing the Right RTO

If you identify an RTO who has the qualifications you need on Scope (or can get them on scope), the following questions are provided to help you determine if the RTO can meet your needs.

|  **CHOOSING AN RTO**  |
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| **Issues to be considered** | **ConsideredYes / No** | **Response Details** |
| Does the RTO have experience working with enterprises like yours, or in your industry? Can they provide examples and details of previous or current work performed under a services agreement? |  |  |
| Can the RTO explain how the vocational education and training (VET) sector works and its relevance to your enterprise/staff? |  |  |
| Can the RTO explain how their services will benefit your business or industry? |  |  |
| Is the RTO committed to a long-term partnership with your enterprise/industry? How do they demonstrate this? |  |  |
| Does the RTO have a confidentiality agreement in place so that your proprietary knowledge and information about your staff are protected. |  |  |
| Will the RTO allocate a dedicated person, or position holder, as your point of contact? (Who is the decision maker?) |  |  |
| Does the RTO understand the WHS requirements of your enterprise/industry? |  |  |
| Does the RTO ensure their trainers and assessors have current industry knowledge, qualifications and experience, and if so, how? Can they provide details of experience (e.g. a CV, biography)?  |  |  |
| What will the RTO do to ensure their trainers and assessors understand your enterprise/industry? Do you need to be involved? |  |  |
| Will the RTO want to use your personnel as Subject Matter Experts (SME’s), in-house trainers or assessors? To what extent and how will this be advantageous to you?  |  |  |
| Will the RTO identify your enterprise’s training needs (Training Needs Analysis)? For example, are nationally recognised qualifications, high-risk work licences, Verifications of Competency required. |  |  |
| Will the RTO assess your staff’s prior learning (RPL) and conduct skills assessments (Skills Analysis)? |  |  |
| Can the RTO provide training and assessment in ways that reflect your specific enterprise, and/or industry processes? e.g. will they:* base training and assessment on your processes, equipment, etc.?
* provide training and assessment **where** you need it, e.g. at your workplace, off site, at their premises?
* provide training and assessment **when** you need it, e.g. during business hours, during shifts, in the evenings, on weekends?
* provide training and assessment in a **mode** which suits your workforce, e.g. on the job, face to face training sessions, web-based training?
* provide mentoring and other workplace support?
 |  |  |
| Will the RTO customise resources and training programs it has already developed to meet your specific needs? For example:* language, literacy and numeracy support
* consider feedback in response to their training and assessment, and make changes where appropriate or requested
* include your enterprise/industry quality assurance standards and processes
* respect intellectual property of material developed around your own equipment or processes.
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| Will the RTO communicate with you in a way that suits your enterprise/industry e.g. email, telephone, face to face meetings, video conferencing, etc.  |  |  |
| How will the RTO provide evidence and records of training participation and assessment (e.g. attendance, copies of qualifications, etc.)? |  |  |
| Will the RTO sign a written agreement for the training and assessment services that includes their obligations and your obligations, e.g. Purchase Agreement, Memorandum of Understanding? |  |  |
| If the agreement is for Apprentices or Trainees, does the RTO have the appropriate legal processes in place?  |  |  |
| Costing:* Is their costing easy to understand?
* Can the RTO access or suggest sources of government or other funding for training?
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# Scoping an RTO Services Agreement

You should undertake a scoping exercise to ensure the short and long-term viability of an agreement before signing. The points to consider will assist in ensuring that the agreement has a solid foundation for development and implementation.

| **SCOPING AN RTO SERVICES AGREEMENT** |
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| **Points to consider** | **Issue Considered** | **Response Details** |
| **Why**  | Why does the RTO want to enter into a services agreement with you? (Their aims and objectives.) |  |  |
| Why do you want to enter into a services agreement with an RTO? (Your aims and objectives.) * Are your reasons for entering into a services agreement valid? (Consider the must, should and could have needs.)
* Is the reason for an agreement to meet a ‘one off’ situation’?
* Will an agreement strengthen your industry/enterprise?
 |  |  |
| **What**  | What services/activities are the RTO going to provide?  |  |  |
| What consideration has been given to copyright and intellectual property?  |  |  |
| What relevant legislation, regulations standards are applicable to the agreement?  |  |  |
| What industrial issues could impact the agreement terms? |  |  |
| What RTO specific requirements will you have to abide by? (Evaluation and monitoring activities; validation and moderation activities.) |  |  |
| What represents fair and equitable input from each party? Consider resources such as personnel, costs, materials, space and equipment. |  |  |
| What up skilling of personnel will be needed for the agreement to be implemented successfully?  |  |  |
| What are the start and end dates, what is the optimal period for the contract?  |  |  |
| What are the likely strengths and weaknesses of a partnership?  |  |  |
| What are the risks associated with entering into a services agreement with the RTO?  |  |  |
| **Who** | Who are the stakeholders and are they willing to: * accommodate differing organisational cultures.
* support the terms of the agreement?
 |  |  |
| Who will negotiate, drive and monitor the agreement and the relationship? (e.g. committee / working group / nominated persons.) |  |  |
| Who will initiate invoicing and administrative arrangements? |  |  |
| Who will market and promote training? |  |  |
| Who will determine enrolments? |  |  |
| Who will employ trainer/assessors if necessary? |  |  |
| Who will be responsible for induction procedures for new/existing enterprise staff working under the agreement?  |  |  |
| Who will be responsible for ongoing professional development of the enterprise’s trainers and assessors? |  |  |
| Who will deliver training? |  |  |
| Who will gather evidence, make assessment judgements, and validate assessment judgements? |  |  |
| Who will establish appeals processes and make appeal decisions? |  |  |
| Who will carry out internal audits and make improvements resulting from audit findings? |  |  |
| Who will be responsible for evaluating the partnership at the completion of the agreement? |  |  |
| **General** | Do you need to seek legal advice about this agreement? |  |  |
| What processes are there for dispute; grievance; complaints and feedback? |  |  |
| Can this venture succeed in current economic, social and political contexts? |  |  |
| Are set targets and measurable goals included in the agreement?  |  |  |

# Implementing the Services Agreement

The following table poses some questions to consider before implementing the agreement.

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| **IMPLEMENTING THE SERVICES AGREEMENT**  |
| **RTO Services Agreement** | Has the agreement been signed by and distributed to all parties? |
| **Training and Assessment Strategy (TAS)** | The TAS is an RTO template that is developed for each qualification or skill set in consultation with stakeholders and describes what will be trained, who will be trained and where, when and how training and assessment will be conducted. All parties involved in the training and assessment must sign off the TAS before training and assessment commences. |
| **Resources** | Have you sighted the training and assessment resources to be provided by the RTO?Have you got resources that are ready to go, e.g. personnel for mentoring, money, space for training and assessing activities, fit for purpose equipment, time for staff to undertake the training, replacement staff to cover for people while under training? |
| **Timelines / Schedules** | Have timelines and schedules been communicated to all parties (in line with work shifts, production deadlines)? |
| **Stakeholders** | Do all stakeholders (e.g. trainers, assessors, supervisors, administration staff, key contacts) know what is expected of them and who their point of contact is? |
| Are they inducted into the area / workplace? |
| Have they read and understood the relevant site policies and procedures? |
| **Insurances** | Are adequate insurances in place, e.g. to cover RTO staff entering your workplace. |
| **Support for staff** | Do you have management / HR strategies to deal with issues that arise with staff during training and assessment, e.g. mentoring, counselling, pastoral care. |

# Maintaining a Services Agreement

This will involve commitment to a review schedule and ensuring that all activity is meeting the requirements of all parties. This section provides guidance on the areas that will require close monitoring throughout the life of the agreement. These points have been posed from the point of view of a business.

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| **MAINTAINING THE SERVICES AGREEMENT**  |
| **Communication** | Participate in regular progress meetings or conversations to report on satisfaction with the training activities or other services being provided. |
| Collect and analyse feedback from trainers, assessors, students, and other stakeholders to identify areas for improvement. |
| The RTO should maintain a register / spread sheet to record training and assessment and associated activities. This record should be forwarded to applicable stakeholders on an agreed timetable to ensure both party’s records are in accord throughout the life of the agreement.  |
| **Policies and Procedures**  | Policies and procedures are in place to support the agreement terms and conditions.Policies and procedures are being implemented and followed.  |
| **Flexibility** | Allow staff time off the job for training, and opportunities on the job for skill development. Provide replacement for staff if required if they are away from workplace for training. |
| **Training and Assessing** | Encourage workplace personnel to be involved in training and assessing, e.g. by mentoring, gathering evidence for assessment.Help provide authentic workplace tasks for skills development and for evidence for assessment. |
| **Monitoring and Auditing** | Schedule regular internal audits to confirm that agreement terms and conditions and policies and procedures are not being breached.  |
| **Organisational** | Allow a workspace for the trainer at the workplace. |

# Considerations for Training and Assessment Review and Agreement Performance Evaluation

Review and evaluation of the service agreement need not be left to the end. Feedback, survey, and other documents can be collected throughout the service agreement period to inform and build a picture of how the services are developing and the level of success being achieved.

Once the service agreement has ended it is beneficial to evaluate the success and seek improvements for future contracts. Reports should be developed detailing recommendations and distributed to all parties to ensure that there is closure to the agreement and the learning is shared.

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| **TRAINING AND ASSESSMENT REVIEW**  |
| This section has been designed to provide questions and evidence as a means to measure the effectiveness of activity undertaken within the scope of a services agreement. |
| **Evaluation Type** | **What to look for** | **How you can gather this information** |
| **Reaction** | * How did the staff personally feel about the training?
* Did they enjoy the training and how it was delivered?
* Was it a good use of their time?
* Did the assessment reflect the training?
 | Reactions should be gathered in an informal way - discussions, anonymous questionnaires, open ended questions, opportunity to add more comments or express feelings outside the formal training setting.*The RTO should gather this information immediately after training and assessment, but the enterprise/industry can also collect responses from staff at work.* |
| **Learning** | * What did the staff gain from the training?
* What new knowledge, skills or attitudes were gained as a result of the training?
 | *The RTO will measure the knowledge and skills your staff gained through assessment processes. However, some gain is not as easy to measure e.g. changes in attitude.*Another measure of learning could be through observation in the workplace of staff using their new skills and knowledge in their role, or taking on new tasks that reflect their new learning.  |
| **Behaviour** | * How has the training impacted on staff behaviour? For example, the performance of their role or their attitude to work.
 | This will be more difficult to assess than the reaction and learning evaluation and may require time to assess.  |
| **Results** | * What changes has the training made to the enterprise/industry?

For example:* increased productivity
* increased customer satisfaction
* increased staff job satisfaction
* decreased staff turnover and/or absences?
 | This evaluation will need to take place over time, and again, looks at the before and after training. |
| **AGREEMENT PERFORMANCE EVALUATION**  |
| This section has been designed to provide you with suggested areas that both parties would benefit from reviewing and looking for areas of opportunity.  |
| **How did the agreement go?** | **Questions** | **Notes** |
| **Expectations**  | * Revisit why you entered the agreement – what did you want to gain?
* Did the services agreement meet, exceed or fall short of your expectations?
* Has everything that you agreed to provide been provided?
* Is there any dispute about this?
 |  |
| **Successes** | * What are you most pleased with from the agreement?
* What do you think worked well and why?
* Were there any unexpected benefits from the entering the services agreement?
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| **Challenges** | * Were there unanticipated problems?
* How were these resolved?
* Is there anything you were particularly disappointed with?
 |  |
| **Communication** | * Was it easy to communicate with the RTO?
* Did the RTO provide a person/position for regular contact and discussion? Were there any issues with this?
* How were issues raised with the RTO, and did they respond appropriately?
* Did you feel appropriately consulted and involved in the partnership?
 |  |
| **Commitment** | * How did the RTO demonstrate their commitment to you?
 |  |
| **Budget** | * Was delivery of services to budget?
* Could the delivery of services have been more cost effective? How?
 |  |
| **Lessons learned** | * What would you do again?
* What would you do differently?
* Would you work with the same or other RTOs again? Why?
* Can you use this experience to improve training in your enterprise/industry? How?
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