



HOW CAN WE WORK SECTORALLY IN A PROVINCE?

Building Links Between the Nova Scotia Community College and the Nova Scotia Industry Sector Councils

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1 BACKGROUND

1.1 THE RITCS

In the late 1980s the federal government set in motion an ambitious plan to expand labour/management/community co-operation on human resources development. Prior to this time most federal training dollars had gone to purchase seats for unemployed people in community colleges and technical institutes. In response to criticisms that job related training was expensive and unresponsive to industry, the government proposed that labour force development boards be established at the local, regional and national levels. Their primary function would be to bring together business, labour and other stakeholders to identify ways to target program resources more directly on identified job opportunities and employer and employee needs. In this sense, a degree of tension with training institutions was built into the new approach from the outset.

In Nova Scotia regional training councils were set up around the province and also a number of province-wide councils serving particular industries. In 1991 funding was cut to the overall program and the provincial labour force development board and most of the local councils were lost. However, 9 regional industry training councils (RITCs) survived representing the following sectors:

- Automobile sales, service and repair
- Fisheries (harvesting, processing and aquaculture)
- Forestry
- Health care/home care
- Home building and renovation
- Industrial construction
- Manufacturing and technology
- Tourism
- Trucking

Throughout the 1990s these 9 RITCs played a broker role between employers in their respective sectors, the UI/EI system and public and private sector trainers. Over an annual planning cycle the RITC would assess employer needs for new recruits with specific skills and identify individuals eligible for UI/EI training dollars who had the appropriate backgrounds to work in the particular industry. The RITC would then contract with training agencies to provide the needed courses. The RITC covered its own costs largely out of administrative fees charged on the flow-through of UI/EI training dollars.

Each RITC had a board made up of industry people, and most carried out research, lobbying activities and training for already employed workers who were not covered by UI/EI. Some of the RITCs were active on national sector councils, and some played a major role in promoting the organization and professionalization of their industry sectors.

1.2 EVALUATION FINDINGS

In 1999 the 9 RITCs were evaluated in a systematic way for the first time. The following is the major conclusion drawn by the evaluators:

On a general level the evaluation study provides substantial evidence that the RITC model has been successful in Nova Scotia in mobilizing industry participation in training and in building a training culture. The sector council approach works when small and medium-sized enterprises work co-operatively to address their common human resource development needs.

The following were some of the major findings and recommendations of the study:

- The RITC program should be continued and the model applied to other industry sectors.
- Despite their limited budgets the RITCs are generally well managed and provide programs that industry wants in a cost-effective manner. These organizations have the potential to offer a wider array of services if they have resources to cover the additional staffing and administrative costs.
- Special efforts are needed to build effective working relationships between the RITCs and their primary public sector partners -- the Human Resources Canada Centres, the Nova Scotia Community College (NSCC)

and the Apprenticeship Division of the Nova Scotia Department of Education and Culture.

- The NSCC should be encouraged to treat the RITCs as key advisors on training needs and human resources trends in their sectors, and the RITCs should explore options to formalize their participation in the Program Advisory Committees of the NSCC.

In retrospect it is understandable that the evaluators found tensions between some of the RITCs and the NSCC. The RITCs together were spending \$3 million to \$4 million annually to purchase training from a variety of providers. By the same token, the NSCC was the largest provider of training, and had the staff, buildings and equipment to cover most industries across the province, but many industry leaders felt they weren't getting the service they needed from it. Specific issues were:

- Senior managers at the NSCC were convinced that some of the RITCs were biased in favour of private sector trainers and weren't giving the College a fair share of training purchases.
- Industry people on RITC boards complained that the College staff members were not up to scratch with current practices and standards in industry, and that classroom equipment was not up-to-date.
- NSCC staff argued that their programs and teaching staff did meet the highest standards and that the RITCs were out of touch with what the College had to offer.
- Some of the RITCs felt that the College did not consult adequately with industry on program development, and that the system of Program Advisory Committees was ineffective.
- One of industry's biggest criticisms, directed at both NSCC and HRDC, was that there was so little financial support for training for people already employed in their sectors.

The evaluation team concluded that while some of these claims might have substance, the real issue was communications. The Program Advisory Committees system was not an adequate vehicle to facilitate industry input to NSCC program development and evaluation. New structures were needed to support more effective collaboration between the college and these important industry leadership bodies.

1.3 TRANSITION TO SECTOR COUNCILS

In the early stages of the RITC evaluation, as part of the general realignment of federal provincial roles and responsibilities, HRDC announced its withdrawal from direct provision of training to the unemployed. This meant that the operational basis for the RITCs – the use of UI/EI dollars to purchase training – would disappear in July of 1999. The focus of the evaluation study became the viability of the RITCs as *sector councils* rather than *training councils*.

Based on the findings of the study, HRDC agreed to support 6 of the RITCs to become sector councils while 3 others would be restructured. The new councils would not purchase training, but would concentrate on needs assessment, strategic planning, development of innovative HRD programming, and human resources development capacity building within their respective sectors. A key element of the HRDC vision was that sector councils should play a very significant role in liaising between the training system and industry to encourage more effective targeting of program resources.

1.4 PARALLEL DEVELOPMENTS AT THE NSCC

Throughout this period the College itself was going through major transitions. The NSCC had been created in the early 1990s through the amalgamation of over a dozen technical institutes and vocational schools around the province, and it was only recently set up with an independent board and management. After extensive consultations and a comprehensive strategic planning process, the College undertook an ambitious plan to restructure its programs within four schools, each with a dean whose core responsibilities included the development of more effective communication and collaboration with industry and the wider community. The new team of senior managers has already demonstrated a firm commitment to making the College a more dynamic, responsive and accountable institution, a central player in the province's economic development efforts.

2 NEW APPROACHES TO CO-OPERATION

Following the completion of the RITC evaluation and the move to the sector council model, a series of meetings was initiated in the fall of 1999 to address the issue of communication and co-operation between the new councils and the NSCC. Progress was slow at first because of the changeover in management in the College and the need for everyone to adapt to the sector council approach. However, the meetings were successful in identifying key issues to be resolved:

2.1 THE NEED FOR MUTUAL RECOGNITION

A certain level of mistrust had built up in previous years. To lay those concerns to rest, it became clear that there needed to be some process of formal recognition between the College and the sector councils.

The College needed to be assured that the councils would recognize the need to have a vital and viable public sector training institution in the province and would take responsibility to play their part in helping the College meet its strategic goals.

The sector councils for their part wanted to be recognized by the college as the pre-eminent voice of industry in their respective sectors, and to be given a real say in policy and program development that impacted on their sectors.

2.2 ADVISORY PROCESSES BASED ON INDUSTRY SECTORS

It was recognized by both the College and the sector councils that the Program Advisory Committee system was not an effective vehicle to marshal industry input on program development and evaluation. There were too many individual programs across the College and they did not match with industry sectors: e.g., the automobile or home building industry would need to put representatives on literally dozens of program committees to address all of their concerns. What was needed, it was recognized, was for all the College people doing things related to a

particular sector to sit down with the sector council on regular basis to look at the whole spectrum of courses and services relevant to the sector.

2.3 LINKING ANNUAL PLANNING CYCLES

A third issue was that the councils and the College were off in their individual corners making decisions about training programs on an annual basis but were not co-ordinating their decision-making, sharing data or planning how to optimize their investments. There was a need therefore to get together early in the planning cycle for a “show and tell” session regarding the upcoming year of activities, and to actively look for ways to share information, link programs and partner on human resources development activities.

2.4 THE MEMORANDUM OF UNDERSTANDING

In the spring of 2000 the NSCC and the 9 sector councils agreed to formalize a new working relationship by means of a memorandum of understanding. The goal would be to codify their mutual recognition, taking full account of the essential roles of the College and the councils vis à vis human resources development in the province.

A template for an MOU was drafted and approved in a full meeting of the 9 Councils and the College. Each Council then took the template to their respective boards to decide on ratification after modifications to address particular issues in each industry environment.

3 IMPLEMENTATION TO DATE

3.1 NEW INITIATIVES

There is general agreement among the parties that the level of communication and co-operation between the NSCC and the sector councils has improved dramatically in the last year. The College has been very positive about the importance of the councils to its new vision of direct links with industry and responsiveness to industry and community needs.

The executive directors of the 9 councils meet on a regular basis as the Association of Industry Sector Councils (AISC), and this body is proceeding with approval of the MOU with the College after ratification by each individual board. This collective approach emphasizes the ongoing role of the AISC as a facilitator and liaison body for all 9 councils.

The Atlantic Home Building & Renovations Sector Council is working intensively with the College to review curricula and plan the development of a new two-year carpentry course.

The Automotive sector council has agreed to work with the College to set up a pilot project to involve industry representatives in the selection process for new trainees for mechanics and related courses. This initiative stems from a concern among industry people that a significant proportion of graduates are typically not successful in getting and retaining jobs the sector, while the College wants to maintain its policy of optimal accessibility.

The Trucking industry sector council has plans to pursue a new relationship with the College to develop pre-employment training, to upgrade current mechanics courses, and to co-operate on careers promotion for the sector.

The Tourism sector council has co-opted the tourism curriculum development personnel from the College onto their Board and meets on a regular basis to coordinate their activities and identify training needs and opportunities in the sector.

The councils are supportive of the College's move to modularized certification whereby students who complete parts of programs receive credentials that are meaningful for employers.

The College has hired dedicated staff and is setting up committees in each of its four schools to develop plans for customized training. It is inviting sector councils to participate on these committees and help with the development of strategies for their sectors.

Another area where the sector councils and the College have plans to work together is in careers promotion. There is a general problem of attracting qualified young people to blue collar and technical occupations and the sector councils want to take an integrated approach to working with each other, the College and the public school system to change attitudes and generate awareness of the attractive careers available in their fields.

3.2 CHALLENGES

While much progress has been made, there are still areas for improvement in the working linkages between the College and the sector councils. Curriculum design is still largely an in-house process without a lot of scope for industry input. Some industry groups still feel that core college programs in their fields are not sufficiently oriented towards overall industry conditions, current production methods and technologies, and the full career model.

It is not clear as yet how the sector councils will relate to the new portfolio-based PLAR model, and how the councils' interests in PLAR will be co-ordinated with College programs in future.

The councils are still experiencing growing pains and some uncertainty about their future relationship with HRDC and the security of their core program funding. These instabilities are a constraint on the abilities of the councils to mobilize their sectors and establish solid working partnerships with the College and other primary institutions in the human resources development field in the Province.

While several of the Nova Scotia sector councils are actively involved with national sector councils, notably in the fisheries, tourism and automobile industries, it is not clear how the regional councils are meant to relate to the national bodies. HRDC policy is as yet undeveloped in this regard. Nova Scotia is still the only province with regional industry sector councils and it is not clear that the government wants to encourage the spread of the model. Consideration has been given to funding national councils to set up regional offices to do capacity building and mobilization at the local level.

A communications link has been established between the AISC in Nova Scotia and the Alliance of National Sector Councils. This may prove useful in future in facilitating policy development and more effective linkages between the regional and national levels.

3.3 CONCLUDING COMMENTS

In a world of global competition, the essential function of industry sector councils in Nova Scotia is to mobilize small businesses to work together and pool resources to develop the capacity to do what has to be done to survive and thrive. Most small businesses by definition do not have the resources individually to invest in human resources development and research and development, and therefore they

are highly vulnerable in an economy where knowledge, skills and continuous technological innovation are key drivers of competitiveness. Only by agreeing to put aside traditional “beggar thy neighbour” business strategies and working together for a common good can small businesses gain the sophistication demanded by today’s economy.

It is too early to say that the sector councils in Nova Scotia have met with great success in building a more progressive small business sector in the province, but there are real signs of progress after over a decade of hard work. Policy makers and business leaders from other provinces would do well to consider the lessons learned from the RITC/sector council experience and from the developing partnership between the councils and the community college.

For many years the community college system in Nova Scotia lagged far behind other provinces. Now there is a new recognition of the centrality of College based programs to economic development. For the first time in generations Nova Scotia is experiencing shortages of skilled labour, and human resources development is on every government priority list and strategic plan.

The College is developing the institutional base and the training capabilities to meet the HRD challenges in the province. The sector councils represent a new industry capacity to partner with the College, to feed in excellent advice and direction on how best to meet industry needs, and to co-ordinate and integrate HRD activities by employer and employee groups with the mainstream training system.

Through the new linkages between the College and the sector councils Nova Scotia has an opportunity to become a leader in Canada in industry-community college co-operation and collaboration. In the fields of career development, PLAR, essential skills training and customized training, and in the continued development of core pre-employment programs, the College – sector council relationship offers a powerful new vehicle for leadership and innovation.

It is still early in the game, but there is every reason to anticipate an exciting future for industry community college co-operation in Nova Scotia.

T E M P L A T E

Memorandum of Understanding

Between the

(Sector Council)

and

**Nova Scotia Sector Councils and Nova Scotia Community
College**

The exact wording of this document should be adjusted to reflect the specific interests and circumstances of each sector committee. The particular form or structure for the joint planning committee should again reflect the existing relations with the Nova Scotia Community College and other factors specific to the sector council.

1. Intent

The purpose of this Memorandum of Understanding (MOU) is to encourage and facilitate effective communication and co-operation between the (_____ sector council _____) and the Nova Scotia Community College (NSCC), and to provide a basis for joint initiatives in the areas of research, planning, program development and implementation, and evaluation.

This MOU is undertaken without prejudice to existing and future links between the (_____ sector council _____) and other training institutions or agencies, or to existing and future links between the NSCC and other industry groups.

This MOU is meant to be inclusive and flexible to support continuing adaptation and innovation as the relationship between the (_____ sector council _____) and the NSCC evolves, and as conditions change in the industry and in the human resources development field.

2. Recognition

The basis for this MOU is mutual recognition:

The NSCC recognizes that, for the _____ industry in Nova Scotia, the (_____ sector council _____) is the legitimate voice of industry for the purposes of planning and consultation for human resources development.

The (_____ sector council _____) recognises that, as the largest provider of trades, technical and vocational training in the province, the NSCC provides an essential institutional foundation

for human resources development in the province and is an key partner in addressing industry training needs.

The NSCC and the (_____ sector council _____) together recognise the need for joint planning mechanisms to address three areas of co-operation:

1. Facilitation of effective consultation between industry and the NSCC
2. Promotion and facilitation of integrated research, program development and program planning activities
3. Promotion and facilitation of joint projects

3. Undertakings

These objectives will be achieved through joint action on three levels.

- **Annual Planning Conference**

On an annual basis the vice-presidents, deans and other appropriate staff of the NSCC will meet with the executive directors and appropriate board members of the Nova Scotia industry sector councils to review developments of mutual interest, to present and consult on program and institutional development plans for the coming year and to address any issues or problems that have arisen. The (_____ sector council _____) will actively participate in these conferences and share information on program plans and priorities.

- **Joint Planning Committee**

The (_____ sector council _____) and the NSCC will establish a joint planning committee with appropriate representation of

industry and the College to oversee co-ordination and consultation in areas of mutual interest. Their activities may include:

- Evaluation of NSCC and sector council programs and joint initiatives
- Participation in planning and development of new programs
- Planning, development and implementation of training activities
- **Ad Hoc Initiatives**

On the level of the traditional PACs, the joint planning committee will spin off smaller working groups for short term projects such as program evaluation, industry consultations on new courses, research projects, public-private partnership initiatives, etc.

4. Signatories

The following signatures commit the parties to abide by this Memorandum of Understanding and to implement its provisions.

_____ Date _____ ,
Chair of the Board, (_____ sector council _____)

_____ Date _____
Representing the Nova Scotia Community College

Appendix to the Case Study

**MEMORANDUM
OF
UNDERSTANDING**

between the

**ASSOCIATION OF INDUSTRY
SECTOR COUNCILS (AISC)**

and the

**NOVA SCOTIA COMMUNITY
COLLEGE (NSCC)**

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1. Facilitation of effective consultation between industry and the NSCC
2. Promotion and facilitation of integrated research, program development and program planning activities
3. Promotion and facilitation of joint projects

This MOU recognizes that currently individual Sector Councils vary in their level of collaboration and activity with the NSCC. This MOU hopes to facilitate an increase of collaboration and joint initiatives between the AISC, the individual Sector Councils and the NSCC at both the administrative and the individual school level

□ Undertakings

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Executive Director Atlantic Home Building and Renovation Sector Council	Date
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Executive Director Nova Scotia Automotive Industry Human Resource Sector Council	Date
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Executive Director Health Care Human Resource Sector Council	Date
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Executive Director Nova Scotia Construction Human Resource Sector Council	Date
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Executive Director Nova Scotia Fisheries Sector Council	Date
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Executive Director
Nova Scotia Forestry Human Resource Sector Council

Date

Executive Director
Tourism Industry Association of Nova Scotia
Human Resource Sector Council

Date

Executive Director
Information Technology Industry Sector Council

Date

Executive Director
Trucking Human Resource Sector Council

Date

Representing the Nova Scotia Community College

Date