

Cost-effective consortia

Case Study: Schefenacker Vision Systems

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Schefenacker Vision Systems is the world leader in the design and manufacture of vision, lighting and audio systems for the automotive industry. The multinational company operates in 13 countries and has 850 employees at the South Australian operation.

The automotive industry is second only to the aircraft industry in terms of the quality assurance requirements and the rigour of quality processes. In this demanding and disciplined environment Schefenacker Vision Systems has an international reputation for quality. The company is often used as a model for others in the manufacturing industry and has a vested interest in maintaining its leading edge position.

The company wanted to provide leading edge training to its workforce based in South Australia and set about doing that by building a training model that would keep them at the forefront of the manufacturing industry.

set...

While rigorous quality assurance and business management systems inject discipline and reliability into its work, Schefenacker management recognised that these systems can also stifle creativity and innovation. Exposing employees to new contexts, challenges and ways of working was one aim of the training program.

Schefenacker considered a number of options for implementing the high quality, responsive training that would meet its needs. The company wanted to be in the driver's seat in determining how its training needs would be met, but education and training is not core business for Schefenacker and management didn't want to be side-tracked by the administrative requirements of running an RTO.

However, making use of the skill sets already within the organisation was important. Schefenacker wanted to use the expertise of its own employees in the development and delivery of training programs that would meet the needs of a strategic, leading edge company. In an industry that is constantly innovating and upgrading, using internal expertise and up-to-the-minute, in-house knowledge was seen as the best way to avoid the 3-5 year time lag that is often found in TAFE and university training programs.

An active partnership arrangement with multiple education and training providers was the solution that gave Schefenacker the opportunity to draw on in-house knowledge and skills without being bogged down by administrative requirements. Schefenacker management also saw a partnership arrangement as an opportunity for their thinking to be challenged. They wanted the partners to act as a sounding board for the company to bounce ideas off to prevent it from becoming myopic and inward focussed.

go...

The first step for Schefenacker was the development of a conceptual framework or model of the training solution. Other enterprises in the region were invited to comment on the framework and, after their input and fine-tuning, selected TAFEs and universities were shown the model and asked whether they could work within it. Negotiations with the education and training providers involved further fine-tuning before the partners could begin to make the model a reality.

In selecting education and training providers to partner with, Schefenacker management was looking for their own company's equivalents in the education and training sector. The providers needed to be innovative industry leaders with people who thought and acted strategically.

Two TAFEs and two universities were chosen to participate in the partnership to provide the education and training pathways required by the company. Initially the education and training providers were not used to dealing with an industry partner that wanted to play such an active role in the training arrangements. It took time and considerable discussion to reach a shared understanding of the new way of working that was being proposed, and for the education and training providers to identify the challenges and opportunities in it for them.

With the partnership in place, the Schefenacker team worked closely with the training providers to redesign training materials and methodologies to reflect the needs of leading edge companies. They also worked with all parties to create new articulation arrangements between the TAFEs and universities for trades based qualifications leading into professional qualifications.

As part of the partnership arrangement Schefenacker accepted responsibility for upgrading the skills of the education and training providers where necessary. The company views this as a contribution to the manufacturing industry by upping the quality of manufacturing training provided by TAFEs and universities.

results...

Schefenacker Vision Systems has created the consortium equivalent of a corporate university on their Adelaide site. Through a partnership arrangement with TAFEs and universities, leading-edge industry training is being delivered to employees from nine manufacturing companies. Management training, from the frontline management initiative Certificate III leading up to graduate programs and an MBA, is now also available on site.

The training arrangements are dynamic with each unit and program constantly reviewed and improved. The consortium continues to grow by invitation and the range of training programs also continues to expand. Two of the training programs won SA training awards in 2000 and 2002. Schefenacker Vision Systems also won a national training award in 2002 for the manufacturing and engineering industry sector.

But the rewards for Schefenacker have been greater than industry recognition. The company is conscious of the economic returns on investment from their training activities. Through major projects included in each training program, managers and

supervisors can see the results of training in very practical ways. Usually they include a before and after measurement, which is converted into dollar figures wherever possible, allowing the economic or quality benefits from training to be recorded.

The consortium training model has proven to be cost effective. By combining their training activities consortium members have been able to negotiate competitive rates with education and training providers and access programs that would not be viable at the enterprise level.

Benefits have also accrued to the partnering TAFEs and universities. Their knowledge of the consortium's demand for training has allowed them to reinvest in their abilities and better plan their own professional development. Education and training providers have seen the partnership's training model as the start of a significant trend. The model is now being replicated across South Australia with the emergence of regional clusters and industry consortia working with TAFEs and universities.