

Outlined in this issue:

- *CEET's kit of information and resources designed to help enterprises make the most of their intellectual capital.*
- *some matters raised by CEET's recent analysis of a survey on User Choice conducted by ACCI.*
- *the findings of a review and case studies of 'leading edge' enterprises.*

CEET's 2002 National Conference is to be held at Ascot House in Melbourne on 26 August. The theme is 'VET: Connections, Costs and Contradictions'.

We welcome feedback on our work and suggestions about future research priorities.

Gerald Burke
Executive Director

The CEET SHEET is supported by ANTA's funding of CEET as a Key VET Research Centre.

Measuring and managing intellectual capital

In the information age, most enterprises rely heavily on their 'intellectual capital' for success.

CEET has prepared a 'kit' to help enterprises measure, report and manage their intellectual capital (IC) more effectively. The kit contains information, resources and a system of four basic steps for self-evaluation.

The kit has been compiled from many different sources, including several from North America and Europe where considerable government and private effort has been devoted to developing new systems and standards for dealing with intellectual capital. The kit includes information on:

- The meaning of IC.
- The importance of IC.
- The challenges posed by IC for enterprises.
- Difference between IC and Intellectual Property.
- IC and changing accounting standards in Australia and overseas.
- The development of IC classification frameworks and indicators.
- Identifying the financial value of IC.

It also includes information about websites and publications that can provide further information.

The 4-step process for enterprise self-evaluation included in the kit is based on the MERITUM system developed in Europe and published in 2001 by the Nordic Industrial Fund. As well as describing the 4-steps in detail, the kit includes examples based on the experience of enterprises consulted during the project.

The **Intellectual Capital** kit is available at: www.education.monash.edu.au/centres/ceet. Feedback would be very welcome. Contact: fran.ferrier@education.monash.edu.au

User Choice: does size make a difference?

User Choice remains a controversial issue in VET, several years after it was first introduced. One criticism of the policy is that it is designed for large firms and that smaller firms are not able to obtain the benefits it can offer.

CEET Working Paper No. 40, by Ferrier and Selby Smith reports on CEET's re-analysis of the results of a survey originally taken by ACCI (the Australian Chamber of Commerce and Industry).

Regardless of their size, the majority of firms responding to the ACCI survey use and are reasonably satisfied with user choice. However, more than a third of small firms did not know about it. Access to information about User Choice thus remains an important issue for smaller firms.

Survey results found that only 2.5% of the small firms were using on-line information and fewer small than large firms (59.5% compared with 79.2%) were obtaining information on User Choice from National Apprenticeship Centres.

Small firms using user choice may also be offered fewer choices than larger firms. The survey results indicated that, particularly in relation to the location of training, smaller firms were not offered the same degree of flexibility as larger firms.

During 2002 CEET will be further investigating the issues raised by the survey through case studies of firms of varying sizes and in different locations. This work will include small and medium-sized firms in the agriculture industry, which were not included in the ACCI survey.

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CEET's National Conference 2002

Ascot House, Ascot Vale

26 August 2002

VET: Connections, Costs and Contradictions

International and Australian speakers and

management training among a far broader category of workers.

Michael Long, *Leading edge enterprise: insights into employment and training practices*, Working Paper No 42. Contact Michael.Long@education.monash.edu.au

Staff news

Fran Ferrier has been appointed Secretary of Australian VET Research Association (AVETRA)

Phil McKenzie, CEET's Director of Programs, has taken up a two-year appointment at the OECD in Paris where his work includes editing Education Policy Analysis and managing the OECD activity on teacher policy.

Gerald Burke participated in a conference on financing lifelong learning in Cologne in April - www.fibs-koeln.de/eindex.html. The papers from an earlier German conference have been published by NCVER: Burke, G & Reuling, J, Eds Vocational training and lifelong learning in Australia and Germany. www.ncver.edu.au/research/proj2/mk101.pdf

Chris Selby Smith and Fran Ferrier are leading a study of lifelong learning for the employer and employee advisory committees to the OECD. The study which is to be completed mid year focuses on the world of work and examples of good practice.

Leo Maglen spent four weeks on a project on the development of post secondary education in the Maldives.

Chandra Shah led a CEET team that prepared a paper to be released by OTTE Victoria in June on 'Demand for training: labour force changes, projected job openings for new entrants and workplace developments'.

On the leading edge

Leading edge enterprises are at the forefront of their industry in terms of growth or market share and may have been active in markets beyond Australia.

Leading edge firms are likely to be influential in skill formation in several ways. They may have a direct effect where there are commercial relationships between large and smaller enterprises, either as customers or suppliers of each other. There may also be indirect effects through the diffusion of successful technologies, products or human resource practices to competitors. CEET's case studies of leading edge firms find that

- Leading edge firms emphasise the importance of continuous production and preventative maintenance. The skill requirements of operatives have increased and been transformed. The principal role is not one of repairing breakdowns in production lines but of preventing breakdown.
- These firms provide at least some of their own entry-level training as private providers, while maintaining links with public providers.
- Interest by (particularly young) workers for trades and operative positions may be waning. The firms are finding it harder to recruit young people with the aptitude and ability to be trained in the increasingly complex tasks required of them.
- The ability to operate with shorter production runs can provide a competitive advantage in the domestic market. Production flexibility, however, is more demanding on the skills of the workforce. Flexibility and multi-skilling are necessary for survival and expansion.
- The introduction of flatter management structures and work teams has increased the need for

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If you would like to be put on CEET's mailing list, contact Sally Donovan, Fax 03 9905 9184, Email sally.donovan@education.monash.edu.au Phone (03) 9905 9157, or write to **CEET, Faculty of Education, PO Box 6, Monash University, Victoria 3800, Australia.**

Papers and conference information are available on

www.education.monash.edu.au/centres/ceet

Fran Ferrier edits the CFFTSHEET