



INVESTMENT PLAN

2018-2020



MITO New Zealand Incorporated ("MITO") is an incorporated society established under the Incorporated Societies Act 1908. Under the Industry Training and Apprenticeships Act 1992, MITO was granted full recognition as an Industry Training Organisation (ITO) in 1993. MITO is the key interface between the industries we serve and the tertiary education sector. The Minister for Tertiary Education, Skills and Employment granted MITO re-recognition for a period of five years, with effect from 21 October 2013 to 20 October 2018, to set standards on the New Zealand Qualifications Framework and be funded by the Tertiary Education Commission for these industries.

MITO's current industries are:



MOTOR - Covering all enterprises in the automotive industry, mainly concentrated in the automotive sales, maintenance and repair sectors. A small part of the industry is involved in research and development, manufacturing of vehicles and equipment, vehicle assembly, refurbishment and reconditioning. Recycling of vehicles and vehicle parts also form part of the automotive industry value chain.



ROAD TRANSPORT - Includes all transport companies involved in transporting any type of freight by road (both long haul and short haul).



PASSENGER SERVICES - This sector covers any service that moves people by road (bus, coach, taxi).



STEVEDORING AND PORTS - This industry is made up of stevedores who work at New Zealand's ports loading and unloading ships, handling bulk, general and containerised cargo, operating increasingly sophisticated machinery and systems and handling hazardous goods.



WAREHOUSING AND LOGISTICS - Includes all companies involved in warehousing, catering for the temporary storage of goods before being distributed to the end user in the supply chain cycle, and logistics, the management of the supply chain, controlling the movement of goods from the point of origin to the point of destination using the most efficient, cost effective methods.



INDUSTRIAL TEXTILE FABRICATION - A niche industry in New Zealand comprising three sectors: canvas fabrication, motor upholstery and trimming, and marine upholstery and trimming. It is not unusual for a business to carry out work in more than one of these sectors.



DRILLING - Covers enterprises involved in both hydrocarbon drilling, used mainly for oil and gas exploration, which can take place onshore and offshore, and non-hydrocarbon drilling, used for many different industries, such as quarrying, coal mining, gold mining, along with geothermal, geotechnical, environmental and water-well activity.



MINING AND QUARRYING - This sector is involved in the extraction of coal and gold (mining) and of clay, gravel, limestone, pumice, rock and sand (quarrying).



GAS - The natural gas industry comprises fields, producers, wholesalers, transmitters (high pressure), distributors (low pressure), retailers and consumers.



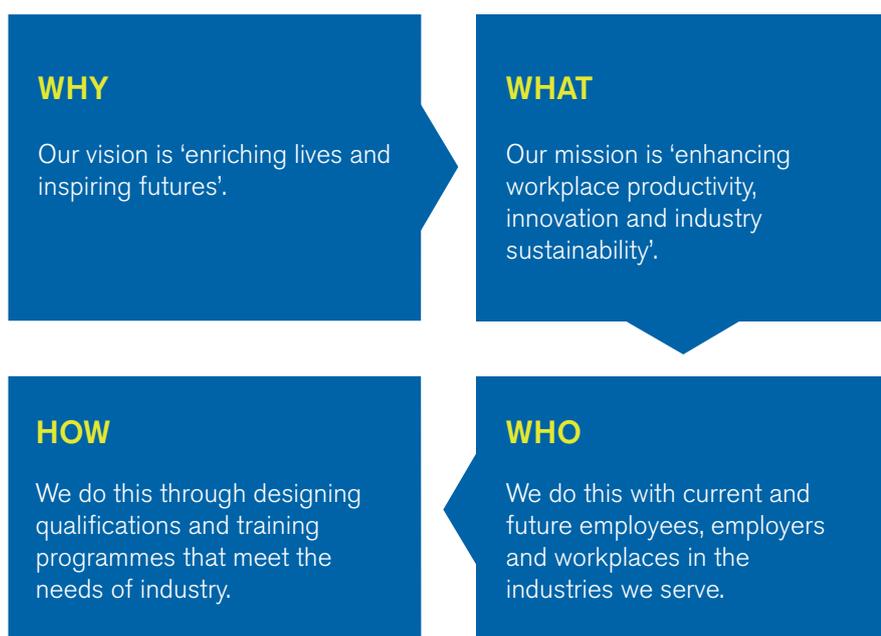
RESOURCES (protective coatings, resource recovery) - The protective coatings industry comprises two sectors: abrasive blasting and hot dip galvanising. These industries are involved with the preparation of surfaces for the application of protective coatings. The resources sector is made up of eight key process areas: zero waste, scrap metal, re-use, composting, construction and demolition, recycling, solid waste, hazardous and special waste.

The 2018-2020 Investment Plan is aligned to the Tertiary Education Strategy and Better Public Service targets and reflects industry aspirations for workforce development, and has been contextualised against:

- Business trends and training implications (national and international)
- Educational and vocational training needs for skill attainment and productivity
- MITO Board direction on strategic priorities and capability requirements.

The 2018-2020 Investment Plan also responds to the legislated and mandated responsibilities of ITOs and their distinctive and significant contribution to the tertiary sector¹. It also covers stakeholder relationships, managing participation and achievement and capability development needs.

MISSION AND ROLE



We are here to:

- arrange training of the highest standards, consistently across New Zealand, for anyone who wants to advance their career in these industries
- provide apprentices with pathways to qualifications and ongoing learning, empowering them to play a full and rewarding role in our industries
- attract high-quality people to the industries we serve
- develop a productive workforce skilled to international standards.

These functions, together with our quality assurance activities, provide confidence that qualifications and learning gained in New Zealand are recognised both here and internationally as relevant, useful and of high quality.

MITO's Strategic Plan 2016-2021 covers our strategic approach, values, strategic priorities, focus areas and expected outcomes.

MITO plays a valuable part in the education system, providing national coverage with dedicated regional support services for our industries. Training is overseen and arranged by MITO and involves a mix of on-the-job training and off-job provision. In 2018 MITO will be celebrating its 25th anniversary.

¹The Tertiary Education Strategy 2014-2019

CONTRIBUTION TO GOVERNMENT PRIORITIES

The Tertiary Education Strategy 2014-2019 focuses on ensuring New Zealand has an outward-facing and engaged tertiary education system, with strong links to industry, community and the global economy. It includes six priorities that the Government wants to improve, to deliver a world-leading education system that equips New Zealanders for the 21st century.

MITO will give effect to the Government's current and medium-term priorities by:

Delivering skills for industry

MITO's programmes are highly focused on industry needs. Stakeholders provide an invaluable source of information to inform the development of the programmes we offer. MITO understands and meets the needs of the industries for which we have coverage for, learners within these industries and government agencies. MITO has historic and current comprehensive understanding of the automotive and industrial textile fabrication sectors, which prior to 2011 was our core responsibility. This understanding has been extended to our other industries through due diligence carried out prior to the mergers with Tranzqual and EXITO, in-depth analysis of training data and research reports held by Tranzqual and EXITO at the time of the mergers and subsequent proactive engagement with industry associations and government agencies.

MITO is central to the development of a skilled labour force for the industries we serve. For the last five years, the MITO Board has hosted an annual Industry Summit – an event that brings together senior managers from our industry associations, key corporate employers, our members and government officials. The theme for the 2017 Summit was “The ART of Tackling Skills Shortages: Attract. Recruit. Train.” A topical theme that transcends all our industries.

Engagement with our industries has had an increasing focus on workforce planning. MITO has been working in close association with our automotive industry associations to develop a workforce development strategy. The strategy provides a framework for the automotive industry to plan its workforce development priorities over the next 5-10 years. The strategy describes the automotive industry's operational context by highlighting factors that will continue to influence the current and future shape of the automotive industry. Separate action plans have been developed and agreed with each of the eight industry associations. We intend to use this framework to inform the development of workforce development strategies for our other sectors.

MITO is also committed to the ongoing success of our learners. Each year we commit \$50,000 by way of our scholarship programme. In 2016 forty-four MITO learners and graduates received a scholarship to assist with the fees for their apprenticeship or their next qualification. In addition, each year we are proud to be able to support a number of industry apprentice of the year competitions and sponsor industry conferences and awards. We take much pride in seeing our learners, graduates and workers from within our industries excel in their careers.

Getting at-risk young people into a career

Much of what MITO does from a marketing and communications perspective involves promoting our industries and careers in the trades to young people. MITO engages with schools through Gateway and other programmes that facilitate a pathway from school to our industries. MITO is actively engaging with other ITOs to promote career opportunities in the trades and services sector through the Got a Trade? Got it Made! campaign which is focused on engaging people aged 16-24 years and their influencers.

The MITO website features a Find a Job section where we connect people looking for a job to the roles that are available in our industries in their local region. Since this was launched in October 2016 there have been nearly 400 jobs listed, with 31% of the roles being entry-level, apprenticeship roles.

We are developing a video library of our learner and employer success stories which are shared online and via social media channels, effectively extending our reach to youth. In addition, prospective learners and their families can now experience one of MITO's virtual reality tours, which provide an insight into what working in our industries could be like. Currently available for the automotive industry, we will cover other industries and also look at virtual tour videos. The tours will be available on the MITO website and we'll take the virtual tour headset to career expos to give students a virtual experience of being on the job.

The Government is encouraging ITOs to test some alternative ways of engaging, such as:

- working more closely with the prisons to provide training to prisoners, including wrap-around services on release that can reduce recidivism
- working with regionally-based Communities of Learning to provide regionally-based education and employment services tailor made to individual learners
- coming up with solutions for education and employment services for NEETs (not in education, employment or training), ARONA (at risk of not achieving NCEA) and other hard to reach young people who may end up in corrections facilities if interventions aren't provided.

In 2018, MITO will investigate how pathways from these at-risk groups to engagement with industry training could occur within the current environment.

Boosting achievement of Māori and Pasifika

MITO's Responsiveness Strategy outlines our strategy for increasing the participation and educational achievement of Māori and Pasifika. This work has been underpinned with the contribution to the Ako Aotearoa project supporting the development of a self-evaluative kaupapa framework. Specifically, face-to-face support for Māori and Pasifika learners at a regional level, access to off-job training, encouraging in-house mentoring relationships with employers, supervisors and colleagues who will support and encourage their progress.

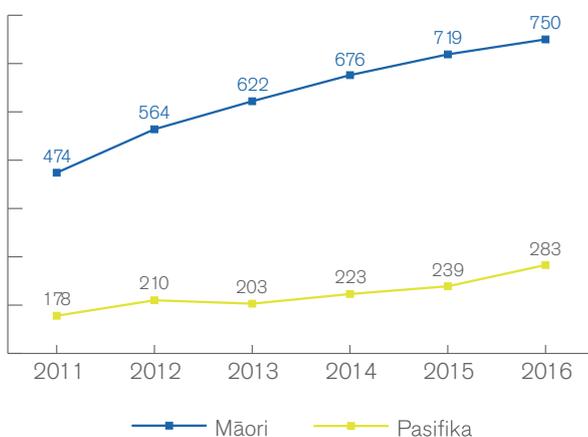
Other activity in this area includes literacy and numeracy support through implementation of the assessment tool designed for Māori learners and creating and building relationships with Māori and Pasifika Trade Training initiatives.

Tainui have confirmed their intentions to scope a workforce development strategy for their iwi. ITOs attended a two-day hui to support how this may be shaped to support formalised industry training arrangements. The next steps will be for Tainui to consider how ITOs may link into their workforce development strategies.

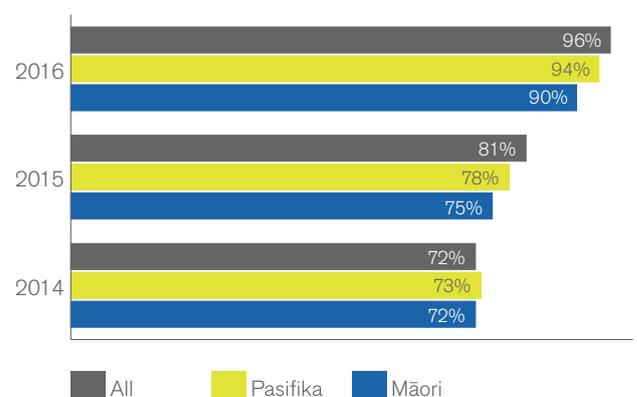
MITO continues to monitor the participation and achievement of Māori and Pasifika learners to assess the effectiveness of our Responsiveness Strategy. The number of Māori and Pasifika learners engaged in training with MITO has increased steadily and overall achievement has also increased. Although the raw achievement rates for Māori and Pasifika learners are lower than the overall rates, in 2016 there is no statistically significant difference between the means of the three populations.

At a programme level, MITO's programme reviews include analysis of participation and performance of Māori and Pasifika, with a view to ensuring programme development is responsive to the needs of these learners and their stakeholders.

PARTICIPATION



CREDIT COMPLETION RATES



Improving adult literacy and numeracy

MITO's Adult Literacy and Numeracy Strategy works towards helping our learners strengthen their skills in order to assist in completing their qualifications and enter the workforce with adequate skill levels.

To meet our strategy, MITO implements Learner Literacy and Numeracy Support Plans to ensure our learners are supported from the very start and their progress monitored throughout their programmes. The use of the TEC Literacy and Numeracy for Adults Assessment Tool (LNAT) has been built into MITO's business processes and the results of the assessment are used to inform where additional support and/or intervention may benefit the learner. Use of the LNat Assessment Tool is one way MITO ensures learners are being given every opportunity for success in their chosen training path.

MITO is a member of the Industry Training Federation's Literacy and Numeracy network, working with the Federation and other ITOs to improve sector capability.

ADDRESSING THE NEEDS OF STAKEHOLDERS

Across all the industries we serve, MITO provides for the education and training needs of a population of approximately 162,000 people, an economy that generates 7% of the national GDP. The profile of MITO sectors are shown in reports generated from the Infometrics profiling tool.

MITO's key stakeholders are industry associations, agencies, employers, learners and prospective learners. Stakeholder confidence in MITO's ability to represent their interests is crucial. Industry training is highly valued by MITO's customers. The 2015 customer satisfaction survey showed 99% of customers agree that training is important to their industry. MITO training is seen to improve the skill base of the business, improve employee professionalism and improve the quality of work.

The MITO Board of Directors are acutely aware that effective stakeholder engagement is fundamental to the continuing success of MITO. We are exploring opportunities to maximise pan-industry engagement and participation in governance. To broaden stakeholder engagement, at the 2017 Annual General Meeting, the MITO members endorsed a proposal to form a two-tier governance model, comprising the Board of Directors and an Industry Council. A MITO Constitution Review Working Group will work together over the next twelve months with the Board to explore the potential structure and function of a two-tier governance structure.

MITO is taking part in an Ako Aotearoa and Ministry for Women research project to try to establish the significant characteristics of successful learning journeys of women who have qualified at levels four and five in engineering related trades. It explores why some women succeed despite barriers – real or perceived. Across MITO's industries, the gender profile is 18% women, a sharp contrast to the 47% of women that make up the total New Zealand workforce.

Emerging technological innovation and resulting changes in social trends and 'disrupting' segments of the transport sector, are challenging prevailing market dynamics and regulatory settings. The NZ Transport Agency has recently selected BERL, Auckland University and Beca to carry out research on the future land transport skills requirements to cope with technology change. Specifically, "In the period to 2025 and beyond will there be a shortage of people with relevant skills that may delay the uptake, and therefore economic benefit, of Intelligent Transport Systems and if so, what can be done to address this problem?" MITO has been asked to provide expertise and participate in the steering group for this research.

PROGRAMMES AND ACTIVITIES

MITO currently has 169 TEC programmes available for enrolments. New programmes to support the post-Targeted Review of Qualifications (TRoQ) New Zealand qualifications are being developed according to business priorities based on business cases provided to the MITO Board for approval. These new programmes will replace programmes leading to national qualifications.

As MITO works through the review to business case process for each sector, the first deliverable is a robust, evidence-based decision paper. This paper presents an overview of education and training activities in the sector; an evaluation of any current MITO programmes with respect to structure, delivery and assessment methods, educational and financial performance and indicates a desirable programme design to support the new qualifications.

For the sectors where the decision is for MITO to become a programme owner, a business case will be developed for sign off by the MITO Board. This will include a budget for programme design and development and the internal resources required. MITO anticipates programme development will be constrained by both budget and resources and informed by NZQA's (New Zealand Qualifications Authority) policy of having new programmes in place two years following the listing of a New Zealand qualification.

Planned changes to 2017 volume include impacts from:

- an increase in trainee volume due to new programmes leading to the New Zealand Certificate in Port Operations with strands in Port Administration, Cargo Handling, and Heavy Machine Operation
- an increase in trainee volume due to growth in enrolments in the Passenger Service programme
- an increase in trainee volume due to new programmes in competitive manufacturing and in business
- a decrease in NZA (New Zealand Apprenticeship) volume due to the divestment of trailer boat systems engineering and sailmaking coverage to NZ Marine and Composites ITO.

OUTCOMES AND MEASURES

MITO is recognised as a high-performing ITO, characterised by evidence-based decision-making, a results-orientated focus and a consultative and collaborative approach. In 2016, MITO:

- achieved 97 percent of the allocation from our 2016 Investment Plan
- had a credit completion rate of 96%
- had no STM (standard training measure) adjustment due to trainee underachievement. The percentage of eligible trainees with 10 credits was 90%, well over the 80% threshold
- achieved provider Category 1 status on the basis of the NZQA External Evaluation and Review results of two Highly Confident judgements
- had no findings and no recommendations from an audit carried out by the TEC to review compliance with the legislative requirements and conditions defined in the MITO New Zealand Incorporated and Tertiary Education Commission funding letters.

MITO is facing increasing competition from overlapping provision. Overlapping provision occurs when Institutes of Technology and Polytechnics (ITPs) and some private training establishments, manage industry training that is comparable to ITO-managed industry training, but funded from the Student Achievement Component (SAC) fund not the Industry Training Fund (ITF).

ADDITIONAL REQUIREMENTS FOR INDUSTRY TRAINING ORGANISATIONS

Developing and maintaining skill standards for the industries

As at June 2017, MITO had 175 qualifications and 2,162 unit standards registered on the New Zealand Qualifications Framework (NZQF).

In 2016, 50% of credits reported for assessment against MITO-managed unit standards were by MITO, the remaining 50% were reported by 91 other TEOs (Tertiary Education Organisations). Similarly, in 2016 57% of MITO-developed qualifications awarded were awarded by MITO; the remaining 43% were awarded by 68 other TEOs. As New Zealand qualifications replace national qualifications, MITO-developed qualifications will be increasingly used by TEOs.

MITO's unit standards continue to be reviewed and maintained to ensure they remain fit-for-purpose. MITO-developed qualifications are reviewed on a five-yearly review cycle unless stakeholder feedback dictates an earlier review.

Developing and making arrangements for the delivery of industry training to enable trainees to attain skill standards

MITO's training model recognises the on-job training and professional development opportunities provided to employees within their workplace settings. On-job training supported by off-the-job supplementary training combines to support the achievement of nationally recognised qualifications. MITO programmes generally offer learners the opportunity to gain both theoretical and practical skills at the same time.

MITO works with training providers who provide off-job training courses (e.g. block courses, day release courses, evening classes and examination centres) and distance learning services to our learners. Through our contractual agreements, we monitor and assess our training providers' services to our learners, with a view to providing them with feedback and working with them to improve the services they supply to our learners.

New programme development increasingly includes new and more flexible modes of delivery, with significant eLearning content. MITO has developed a learning management system to allow learner access to online resources, e-study guides and theory assessments using computers, tablets and smart phones.

MITO completes a Training Capacity for all workplaces where on-job training is taking place. The Training Capacity is a joint process completed with the employer and MITO. The employer must sign off on the Training Capacity on an annual basis. The purpose of a Training Capacity is to ensure that an employer has the capability, facilities and equipment essential in assisting a person achieve the qualification they aspire to. They must also confirm they comply with the relevant Health and Safety legislation. Ideally, employers will be able to link their Training Capacity to any training and development initiatives/plans they have within their respective enterprises. This may involve identifying other opportunities in the workplace for MITO programmes.

Monitoring the training to ensure that it enables trainees to attain skill standards

All MITO learners' progress is actively monitored and learners are supported to succeed. There are many customised reports available to Industry Training Advisors, Regional Managers and the Manager Corporate, as well as reports that can be provided to learners and their supervisors. This information is used to identify off-job training requirements, set goals, motivate learners, involve employers, identify numeracy and literacy issues, identify financial restraints and provide a better overall service to our customers to ensure a positive outcome.

Each MITO New Zealand Apprentice and Modern Apprentice is visited at least quarterly, where progress is monitored and new goals are agreed. Learners and their supervisors are given a goal sheet at the end of the visit that clearly shows progress against the learner's training plan.

MITO Trainees are also visited quarterly where possible. However, in some instances; for example, in parts of the transport and logistics industry and parts of the extractives industry, learners may not receive physical visits due to the nature of their work, so regular progress reports are provided to the training manager/supervisor.

MITO's corporate clients are supported by the Manager Corporate, who works with training managers and human resource managers to monitor and evaluate learner performance. The Manager Corporate is responsible for the development of national relationships to support enterprise-wide MITO-facilitated training solutions.

Assessing trainees and the extent to which they have attained the skill standards

MITO's credit completion rates for the past six years are shown below.

Year	Credit Completion Rate	
	MITO	All ITOs
2011	97%	71%
2012	84%	70%
2013	75%	72%
2014	72%	76%
2015	81%	80%
2016	96%	80%

Carrying out apprenticeship training activities

MITO has policies and procedures in place to ensure apprenticeship training activities described in subsection 13D(2) of the Industry Training and Apprenticeships Act 1992 are carried out; namely, wrap-around services that encompass:

- promoting apprenticeship training generally through the provision of information, guidance and advice to employers and prospective apprentices on the benefits of an apprenticeship
- identifying prospective apprentices and employers able to offer training or employment that may lead to apprenticeship training for prospective apprentices
- helping prospective apprentices enter into apprenticeship training agreements
- producing and facilitating the implementation of individual training plans consistent with an apprentice's apprenticeship training agreement
- monitoring individual apprentices to ensure that their apprenticeship training leads them to attain, within a reasonable time, the level of skills necessary to complete a qualification in the skills of the industry
- ensuring that apprenticeship training and every apprenticeship training agreement is consistent with the apprenticeship training code
- providing appropriate pastoral care and support for apprentices, having regard to the age and experience of the apprentice and the contents of the apprenticeship training code.

MITO has 26 Industry Training Advisors (ITAs) located in the communities they serve. The ITA network is responsible for promoting, implementing, coordinating and monitoring training arrangements that will enable MITO to meet negotiated targets and support workforce development strategies. They do this by:

- proactively managing and supporting learners' credit achievement and qualification completion by regular monitoring of learners' progress and individual follow-up
- facilitation, co-ordination, marketing and management of MITO training opportunities and arrangements within their region according to standard operating procedures
- development and management of external regional industry networks and administrative support of such networks to contribute to the effective maintenance and targeted expansion of MITO's customer base
- promotion of MITO products and services to key target groups and provision of quality customer services that support and add value to existing or potential customers
- analysis, preparation and presentation of reports against negotiated outcomes for the region, including recommending any improvements.

MITO markets and promotes industry training to potential learners and employers through regular advertising and stories about successful learners in industry specific channels such as magazines and newsletters. Communication is targeted to schools and career advisors and MITO participates in career expos around the country, including the annual CATE (Careers and Transition Education) Conference. Qualification campaign activity is targeted to specific groups. MITO information and learner success stories are shared via our website and Facebook page.

Developing arrangements for the collective representation of employees in the governance of the organisation

Full Membership of MITO is available to those unions of workers and industry associations which represent in whole or part the interests of the industry in New Zealand. E tū is a Full Member and has representation on the MITO Board. Full Members are entitled to vote.

Agreed levels of performance

MITO is committed to achieving the participation and performance targets agreed with the TEC.



David O'Kane
CHAIRMAN



Janet Lane
CHIEF EXECUTIVE



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