

# ***Industry Skills Forecast and Proposed Schedule of Work***

Business Services

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# *Executive summary*

Business Services is a broad sector that groups together a collection of job roles that facilitate effective business operations across the economy. These Business Services workers provide professional assistance to businesses in roles including compliance, conveyancing, human resources, information management, marketing, project management and work health and safety. Approximately 1.6 million individuals are employed in Business Services job roles, representing 13 per cent of Australian jobs. This illustrates the importance of this sector to the Australian economy.<sup>1</sup>

The Business Services (BSB) Training Package provides the competency standards for this wide range of job roles, as well as for a range of transferable skills that are required for workers in all sectors.

Over the next five years, employment in Business Services job roles is expected to grow almost 3 per cent.<sup>2</sup> This minimal growth (less than 1 per cent each year) reflects of the fact that some jobs roles are forecast for stronger growth (such as Human Resource Managers), and others forecast to contract (such as Project Administrators). The key drivers behind these changes are explored in the remainder of this report.

The Business Services Industry Reference Committee (IRC) and PwC's Skills for Australia work to ensure that the competency standards within the BSB Training Package are fit for purpose and serve the sector's needs. Projects currently underway within the BSB Training Package are Technical Skills (for Legal Services; Conveyancing; Human Resources; Audit and Compliance; Information Management; and Marketing), Business Enterprise Skills (for the development of transferable skills that underpin all roles in the Business Services sector) and Work Health and Safety. Given that this scope of ongoing work means all elements of the Training Package will be reviewed between 2016-17 and 2019-20, there is no identified need for further work and this Industry Skills Forecast and Proposed Schedule of Work does not propose any further projects.



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## *Skills Forecast*



# 1 Sector overview

## 1.1 The sector at a glance

The Business Services sector covers workers who facilitate business operations – either within their own organisation or by providing professional assistance to other organisations. The Business Services sector referred to in this report is broadly defined as the job roles served by the Business Services (BSB) Training Package. Business Services workers help organisations run more effectively through managing human resource needs, monitoring work health and safety, marketing the business, serving customers and managing projects, amongst many other roles.

*There are over 1.6 million individuals employed in Business Services job roles, representing a high proportion (13 per cent) of Australian jobs.<sup>3</sup>*

Almost every organisation in Australia, large or small, is likely to have a requirement for at least some of the skills of a Business Services worker, even if they do not employ a specialist. Conversely, there are also specialist businesses that may only include workers in Business Services jobs roles (such as specialist program management or human resources firms). Therefore, there is no single descriptor and therefore number that can encapsulate all the businesses in the sector.

In some ways, any business with employees can be seen as employing Business Services job roles (in that these job roles would require some level of business enterprise skills). Of the 2.2 million businesses operating in Australia at the end of 2016-17, almost 870,000 had at least one employee, which gives an indication of the scale of organisations that may have employees in Business Services job roles.<sup>4</sup>

Business Services sector job roles can be examined at the sub-sector level to understand the complexity of the sector. All Business Services roles in technical sub-sectors require a foundation of transferable enterprise skills and some Business Services job roles (such as customer service representative) may not fit in to a technical sub-sector but will have enterprise skills as their core skill requirements. These enterprise skills are set out below, followed by descriptions of the number technical sub-sectors that align to specific job roles in the sector.

### Business Enterprise Skills

The Business Services Training Package also contains units that support the development of transferable skills. Transferable business enterprise skills underpin all roles in the Business Services sector, as well as roles across other industries. This is evidenced by the wide use of Business Services units of competency being widely imported into other Training Packages. Examples of this include BSBCMM201 'Communicate in the workplace' is currently used in 32 qualifications, 29 of which are in other industries and BSBWRT401 'Write complex documents' is current used in 63 qualifications, 46 of which are in other industries.

Additionally, some job roles in the Business Services sector, such as customer service representative, will have enterprise skills as their core skill requirements.

PwC's Skills for Australia and the Business Services IRC have broadly categorised these transferable (or 'enterprise') skills as follows: Business Competence; Critical Thinking and Problem Solving; Social Competence (including Leadership and Management); Data Literacy; and Digital Competence. These skills are explored further in Section 2.2.2.

### Audit and Compliance

Practitioners in this sub-sector work to help businesses approach managing issues including business governance, compliance, and assuring processes and procedures. Internal and external auditors also fall within the sub-sector. Auditors may help organisations ensure compliance with relevant quality management systems, such as the ISO 9001 certification (one of the standards within the range of

International Organisation for Standardisation which certifies that an organisation has quality systems that can meet the regulatory requirements and apply the system effectively to better customer satisfaction),<sup>5</sup> food safety standards, or environmental management standards.

### Conveyancing

Conveyancers facilitate the settlement and legal title transfer of real estate or land. Conveyancing is a licensed profession and VET often forms part of the licensing requirements. This industry is experiencing change with the introduction of e-conveyancing, which is currently live in five states (New South Wales, Victoria, Western Australia, Queensland, and South Australia).<sup>6</sup> As such this has become an essential component for contemporary Australian conveyancing practices.<sup>7</sup>

### Human Resources

Human Resources practitioners support operational functions such as recruitment, workforce planning and management, and dispute resolution. Job roles can also include managing learning and development, change management, and culture and engagement of workforces. Public and private organisations across industries employ dedicated human resources staff, while there is also a significant number of human resources staff who work in specialist recruitment and/or HR advisory services, firms or organisations.<sup>8</sup>

### Information Management

The Information Management sub-sector includes job roles in records management, archiving, and library and information services.

Practitioners in library and information services manage the storage, organisation, access, retrieval, dissemination, and preservation of information. In most cases they work closely with clients to suggest resources and locate information. The VET sector is primarily concerned with the training and skilling of Library Technicians, who undertake tasks including maintaining library records and circulation systems, ordering and cataloguing printed and recorded materials and searching and verifying bibliographic data.<sup>9</sup>

Records management practitioners are primarily involved in the collection, maintenance, secure storage and retrieval of records. Public sector organisations, particularly in the health care, public safety and training sectors employ specialist records managers to administer records. Private businesses also employ specialist records managers, though more often as a means of adhering to compliance or regulatory requirements (such as in the financial services industry). With an increased move towards electronic records, privacy and cyber security will be key concerns for the sub-sector.<sup>10</sup>

Archivists acquire, manage and preserve original records which have permanent value. These records serve as authentic evidence of administrative, corporate, cultural and intellectual activity. The function of an archivist is mainly to preserve information and make it accessible to future users (increasingly in digital format).

### Legal Services

The Legal Services sub-sector, from a BSB Training Package perspective, includes roles such as legal administrative assistant, legal secretary, and paralegal. Paralegals carry out a range of tasks, including: undertaking legal research, preparing legal documents, supporting solicitors or barristers with client interaction, and various administrative tasks. Automation and the use of Artificial Intelligence is being introduced in this sector, meaning that some of the routine tasks currently undertaken within these job roles will no longer require training.<sup>11</sup> However, this may signal a shift to higher-level activities within these roles.

### Marketing

Individuals in the Marketing sub-sector are largely employed in advertising, marketing, communications and public relations roles. Practitioners manage the communication and messaging of organisations, including brand, image, and social relevance. The primary function of individuals in these job roles is to communicate the desired message of an organisation to all interested stakeholders, including current and prospective customers.

### **Procurement**

Purchasing and procurement workers deal with sourcing activities and strategic contracting of goods and services providers for businesses. The BSB Training Package prepares workers for procurement job roles that include tasks such as identifying supply sources, preparing purchase orders, receiving and checking purchase requests, checking inventories and preparing delivery schedules.<sup>12</sup> Organisations may have internal procurement employees, or may hire procurement specialists for a specific reason such as the development and implementation of specific strategies and plans.

### **Project Management**

The Project Management sub-sector comprises project, program, and portfolio management roles and is relevant to organisations and industries across the economy. Project managers have specific training in initiating, scheduling, and directing teams to achieve specific goals within a project. By comparison, program managers are responsible for multiple related projects, and portfolio managers are responsible for the selection, prioritisation, and alignment of projects and programs with an organisation's strategy.<sup>13</sup> These job roles are required in organisations in a range of industries, with the IRC reporting an increasing demand for project management skills in particular growth industries such as the construction industry.

### **Work Health and Safety**

Job roles in this sector focus on preventing work-related health problems, diseases, injuries, and death in a work area or organisation. The training in the BSB Training Package prepares workers to undertake work health and safety duties such as return to work support program, monitoring compliance programs, WHS risk management and participating in WHS audits.

## 1.2 Training Package at a glance

### 1.2.1 Training Package description and use

Of the estimated 4.2 million learners enrolled in vocational education and training qualifications in 2017, over 360,000 were enrolled in Business Services qualifications (8.5 per cent of all learners in the vocational education and training sector).<sup>14</sup>

Enrolments by sub-sector are shown in Table 1 and Appendix B sets out enrolments in all Business Services qualifications. This shows that the majority of enrolments are in enterprise skill qualifications including qualifications in business, management, customer engagement and governance.

**Table 1: Enrolments by qualification, level and sub-sector**

	Qualification level						
	Cert. I	Cert. II	Cert. III	Cert. IV	Dip.	Adv. Dip.	Grad. Dip.
<b>Technical sub-sector qualifications</b>							
<b>Audit and Compliance</b>	-	-	-	-	885	-	-
<b>Conveyancing</b>	-	-	-	-	530	405	-
<b>Human Resources</b>	-	-	-	3,805	7,195	930	-
<b>Information Management</b>	-	-	585	650	1,190	15	-
<b>Legal Services</b>	-	-	1,015	1,040	1,030	-	-
<b>Marketing</b>	-	-	-	6,165	5,160	2,075	-
<b>Procurement</b>	-	-	-	105	65	-	-
<b>Project Management</b>	-	-	-	5,170	13,635	530	35
<b>Work Health and Safety</b>	-	-	1,115	11,175	2,005	295	-
<b>Procurement</b>	-	-	-	105	65	-	-
<b>Enterprise skills qualifications</b>							
<b>Enterprise skills</b>	8,385	46,145	82,785	58,565	80,825	16,075	635

Source: National Centre for Vocational Education Research (NCVER) (2018) *Total VET Students and Courses 2017*. Note: Refer to Appendix B for qualifications by sub-sector

### 1.2.2 Challenges and opportunities with the Training Package

The current BSB Training Package (Release 3.0) is a comparatively large Training Package, containing 66 qualifications, 57 skill sets and 639 native units of competency. This reflects the Training Package's role as serving a broad range of job roles in the Business Services sector and providing the set of core enterprise skills housed in BSB. This role presents both challenges and opportunities, as follows:

- **Transferable skills are in demand across multiple industries.** The BSB Training Package houses many of the transferable enterprise skills required by a variety of sectors. This means that many units of competency (UoC) in the Training Package are imported in to qualifications in other industries.<sup>15</sup> This is an opportunity for the Business Services IRC to work with other IRCs to set the standards for transferable skills across a range of job roles, however, this opportunity will depend on how other Training Packages embedded BSB units that are currently being updated (see Section 3.2 and Section 5). However, there is an inherent challenge in this, as jobs change more rapidly (often due to new technologies or processes) the level and nature of transferable skills will change. The Training Package will need to be able to respond to this in a timely and dynamic way. For example, recent research shows that a person about to enter the Australian workforce could have



up to 17 different jobs across five careers in their working life.<sup>16</sup> Across these jobs, workers in 2030 will spend more of their time using key transferable skills than the current workforce – an estimated 41 per cent more time on critical thinking and judgement and 17 per cent more time using verbal communication and interpersonal skills.<sup>17</sup>

- **Low training engagement in certain qualifications.** A challenge for the Training Package in low enrolments in select qualifications. For example, the Diploma of Recordkeeping, Advanced Diploma of Recordkeeping, Certificate IV in Franchising and Diploma of Franchising all had less than 20 enrolments in 2017.<sup>18</sup> Although these are small sub-sectors, similar can be seen in broader sub-sector qualifications, such as the Certificate II in Customer Contact and Diploma of Customer Engagement.<sup>19</sup> This could indicate that these sub-sectors do not require training (because of changes in the employment outlooks), that employers that do require training access but these qualifications do not meet their needs so they look elsewhere (such as more general qualifications or informal training), or that workers and employers have low awareness of the training that is available. These challenges are currently being investigated in the ongoing project regarding Business Enterprise Skills.

### 1.2.3 Training Package collaboration opportunities

Many of the skills most valued by industry are relevant across multiple sectors of Australia's economy. The Australian Industry and Skills Committee (AISC) has identified a number of cross sector projects arising from similarities in skills need across multiple sectors. These are areas where opportunities exist to create flexible and transferable training package components can be used in a wide range of industry contexts, and in addition will streamline and remove duplication across the VET system.

The BSB Training Package already houses many areas of core skills used across other industries and Training Packages. It therefore offers many opportunities for cross sector collaboration. Of particular applicability to this sector are the following projects:

- **Big Data** and data-driven decision making is an ongoing skill needed throughout the Business Services sector, as the ability to bring together and analyse data is transforming the way businesses make decisions, provide and focus their services, and manage their own operations.
- **Cyber security** and protection of intellectual property will be important for the sector as it is a key concern for Australian businesses, and individuals, in the face of ongoing digital change.
- **Customer engagement through online and social media**, along with marketing and communication, are all core competencies for Business Services learners and will therefore be significant for this sector.
- **Teamwork and communication** is used across the Business Services sector as a core transferable enterprise skill. Movement towards units common to many Training Packages will assist in ensuring consistency of training. The AISC has approved five units to be included in the BSB Training Package under this project.
- **Inclusion of People with Disability in VET** will influence the BSB Training Package, as this will help employers to understand how to improve the experience of workers with disability. The AISC has approved four units to be included in the BSB Training Package under this project.

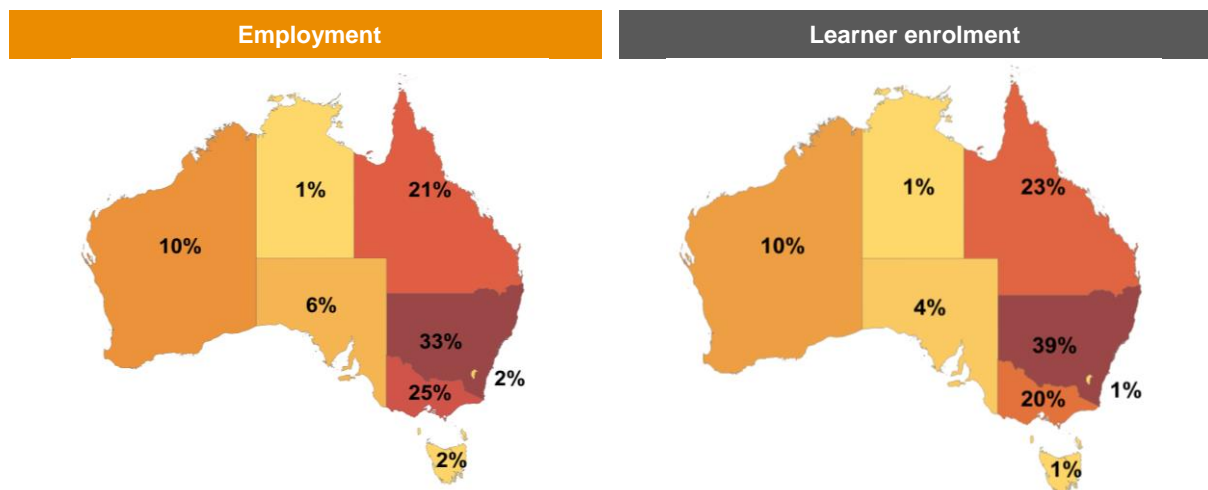
PwC's Skills for Australia and the Business Services IRC will continue to look for, and participate in, opportunities for collaboration across industries.

## 1.3 Sector and learners by location

Figure 1 below shows the current geographical distribution of domestic learners currently enrolled in the Business Services Training Package, alongside the distribution of employment in typical Business Services occupations. Given the importance of these job roles and learners to every industry across the

economy, it is unsurprising that both employment and enrolments are aligned with the spread of the population.

**Figure 1: Geographic spread of Business Services workers and learners**



Source: Australia Bureau of Statistics (ABS) (2018) *Labour Force, Australia, Detailed, Quarterly*, cat. no. 6291.0.55.003, NCVER (2018) *Total VET Activity 2017*

## 2 Employment and skills outlook

### 2.1 Employment outlook

As previously established, individuals working in the Business Services sector are not employed within a single industry, but across organisations in all industries. Therefore, the employment outlook is reflected as a job role, or occupation, level. A number of occupations have been determined to be indicative of the sector as a whole,<sup>20</sup> and the forecast level of employment in these roles is set out in Table 2 below.

**Table 2: Projected employment levels for Business Services sector occupations**

Occupation	Projected employment in May 2023 ('000)	Difference from May 2018 ('000)	Growth (%)
General Clerks	242.8	11.3	5%
Retail Managers	237.6	4.3	2%
Receptionists	191.0	8.6	5%
Office Managers	115.4	(1.2)	-1%
Purchasing and Supply Logistics Clerks	100.1	4.3	5%
Advertising and Marketing Professionals	84.1	9.3	12%
Contract, Program and Project Administrators	80.8	(13.8)	-15%
Management and Organisation Analysts	70.8	6.6	10%
Chief Executives and Managing Directors	68.6	5.8	9%
Human Resource Managers	65.2	7.4	13%
Finance Managers	63.5	4.9	8%
General Managers	41.1	(1.0)	-2%
Transport and Dispatch Clerks	39.7	2.6	7%
Technical Sales Representatives	33.8	(0.6)	-2%
Call or Contact Centre and Customer Service Managers	33.4	(0.5)	-1%
Secretaries	28.3	(13.6)	-32%
Practice Managers	25.9	2.4	10%
Training and Development Professionals	25.9	(1.6)	-6%
Corporate Services Managers	25.2	1.4	6%
Policy and Planning Managers	22.5	0.5	2%
Other Miscellaneous Technicians and Trades Workers	21.1	3.2	18%
Court and Legal Clerks	18.6	1.4	8%
Research and Development Managers	16.9	2.6	18%
Conveyancers and Legal Executives	16.0	1.1	8%
Human Resource Clerks	13.8	(0.0)	-0%
Library Assistants	6.9	(0.3)	-4%
Gallery, Library and Museum Technicians	6.3	(0.2)	-3%
Archivists, Curators and Records Managers	5.4	(0.2)	-4%
Safety Inspectors	4.8	0.3	6%

Source: Department of Jobs and Small Business (2018) *2018 Occupational Projections – five years to May 2023*

Note: The combination of the diversity of industries and influence of technological change on future job roles, makes it difficult to make an accurate prediction of employment in this sector in the future.



## 2.2 Skills outlook

### 2.2.1 Current and emerging skills needs

The current skills needed in the Business Services sector are highly dependent on the sub-sector that a particular worker is in, set out in the sub-sector descriptions in the previous section. In general, a Business Services job role will need two specific sets of skills:

- **Technical skills**, which are a worker's specific sub-sector and role within an organisation, set out in Section 1.1 above.
- **Enterprise skills**, which underpin a worker's technical skills and are more about 'how' they effectively operate in their work environment. These are the transferable skills that are critical for all Business Services job roles.

The trends that are likely to act as key drivers for change and their implications for emerging skills needs are set out in Section 3 below. The central theme is the fundamental nature of transferable enterprise skills in the Business Services workforce of the future. These skills can generally be grouped as follows:

- **Business competence** – including skills relating to: financial literacy, entrepreneurship and small business, business sustainability, and business operations. A person with strong business competence is better equipped to move between job roles and industries across the Business Services sector, as well as to plan and build a new business venture.
- **Critical thinking and problem solving** – including skills relating to: critical thinking, personal effectiveness, and business strategy. Skills associated with critical thinking and problem solving enable a person to gather, assess, and apply information to develop effective solutions. These skills support intellectual rigour and objectivity. A person with these skills is better equipped to succeed in the Business Services sector as their thinking is self-monitored and self-corrective, irrespective of the context.
- **Social competence** – including skills relating to: teamwork, oral and written communication, leadership and emotional intelligence. A socially competent person is able to work effectively with others, including those from diverse cultural backgrounds. These interpersonal skills encourage clear communication (verbal, non-verbal, written) and collaboration. As new ways of working emerge across the Business Services sector - including remote teaming and the gig economy - these skills will become increasingly important for successful workplace interaction.
- **Data literacy** – Data literacy is the ability to derive meaningful insights from data. Workers across the Business Services sector have access to more and more data, with a growing emphasis being placed on data-driven decision making. These skills enable a person to effectively identify, locate, interpret, and evaluate information to produce business insights.
- **Digital competency** – including skills relating to: cyber security and use of technology to perform tasks. A digitally competent person is able to use new and emerging platforms and digital technologies in a business environment. These systems are used safely and critically, and may enable digital or virtual collaboration. As the Business Services sector becomes increasingly digitally-enabled, broad digital competence becomes imperative for this workforce.

### 2.2.2 Key generic skills

The IRC is required to rank a supplied list of 12 generic workforce skills in order of importance to relevant employers. For the Business Services sector, these skills have been ranked below in Table 3.

All skills listed in Table 3 are important. Low ranking does not imply that the skill is not important, but rather lower ranking only indicates that the skill is not a critical priority for the Business Services sector. Further, Table 3 only shows rankings of importance as an average across the whole sector. Some skills may have higher or lower importance for particular organisations and particular sub-sectors within the Business

Services sector. Note that these skills are read in line with definitions provided by the Federal Department of Education and Training.

**Table 3: Importance of generic workforce skills**

Importance	Generic workforce skill
1	Learning agility/Information literacy/Intellectual autonomy and self-management
2	Design mindset/Thinking critically/System thinking/Solving problems
3	Communication/Virtual collaboration/Social intelligence
4	Managerial/Leadership
=5	Data analysis
=5	Language, literacy, and numeracy (LLN)
7	Customer service/Marketing
8	Technology
9	Financial
10	Entrepreneurial
11	Science, technology, engineering and maths (STEM)
12	Environmental and Sustainability

## 3 Key drivers for change and proposed responses

### 3.1 Key drivers for change overview

This overview of key drivers for change in the Business Services sector outlines trends that are likely to present changes, opportunities or threats in the medium term. These trends will lead to movements in the employment landscape (number and nature of jobs available), as well as the skills needed to succeed in those future roles.

#### 3.1.1 Technological change

The pace of digital growth across Australian businesses is rapidly accelerating, with the economy realising significant benefits in embracing mobile and internet technologies to transform many manual operations.<sup>21</sup> The rise of technologies that were once inconceivable, such as artificial intelligence and virtual reality, are now becoming embedded in a variety of business functions.

PwC's 2018 Global CEO survey revealed emerging technologies will help shape human needs in new and profound ways (such as telemedicine, for example). This will create new industries and previously unforeseen job roles that will encourage greater creativity and be more fulfilling.<sup>22</sup> The emergence of a number of new digital platforms are creating the need for workers across industries to be adaptable and agile in the face of constant change and technological advancement.

Two technologically driven changes have been observed as having the greatest impact on the Business Services sector, detailed below.

#### Automation

The rise of automation and artificial intelligence is set to impact businesses and workers at every level. Automation will enable new smart technologies that are able to move around freely in the world, driven by a combination of advanced sensors, GPS tracking systems, and deep learning (replacing the need for human instruction) within the coming two decades.<sup>23</sup> PwC analysis shows that the impacts of automation over the coming decades can be grouped in three waves, as outlined below.<sup>24</sup>

- **Phase 1: Algorithm wave (to early 2020s).** Automation of simple computational tasks and analysis of structured data, affecting data-driven sectors such as financial services.
- **Phase 2: Augmentation wave (to late 2020s).** Dynamic interaction with technology for clerical support and decision making. Also includes robotic tasks in semi-controlled environments such as moving objects in warehouses.
- **Phase 1: Autonomy wave (to mid-2030s).** Automation of physical labour and manual dexterity, and problem solving in dynamic real world situations that require responsive actions, such as in transport and manufacturing.

As these three waves play out, many job roles in the Business Services sector will experience differing levels of impact at a given point in time. Professional and sales/services-dominated industries are expected to face lower impacts in the longer term as the augmentation and autonomy waves ripple through the economy.<sup>25</sup>

Managerial, clerical, and administrative roles have not been greatly affected by automation to date. Most digital technology used by workers has so far only served to make tasks performed by human beings more efficient. Having said this, clerical and administrative roles tend to involve many routine tasks which require a lower degree of reasoning, which makes these tasks particularly susceptible to automation going forward.



Some clerical job roles in the Business Services sector have been predicted to have the highest probability of automation in the medium and long term.<sup>26</sup> Research presented in Table 4 suggests an average of 71 per cent of job tasks for clerical occupations could be replaced by technology in the future.<sup>27</sup>

**Table 4: Proportion of job roles that are susceptible to future automation**

Occupation	Proportion of job role that could be replaced by technology (%)
<b>Highly affected by automation</b>	
Payroll and Timekeeping Clerks	87%
Bookkeeping, Accounting and Auditing Clerks	86%
Library Assistants (Clerical)	80%
File Clerks	79%
Office Clerks (General)	61%
Secretaries and Administrative Assistants (Except Legal, Medical and Executive)	54%
Receptionists and Information Clerks	53%
<b>Not highly affected by automation</b>	
Sales Managers	7%
Teachers and Instructors (All Other)	19%
Child, Family and School Social Workers	19%
Lawyers	23%
Food Service Managers	32%

Source: McKinsey & Company (2017) *A future that works: automation, employment and productivity*

The analysis presented above shows not all aspects of the jobs roles are able to be completely automated. Automation will likely allow certain tasks to be carried out by digital systems but this proportion varies across job roles. Greater flexibility and agility of training will enable individuals in these roles to selectively upskill and retain their employability.

Despite the concern around automation, businesses recognise the need to complement good technology with the right talent, and develop the talent they have. For example, responses to PwC's CEO Survey suggest that in 2018, 77 per cent of Australian CEOs think changes in core technologies will be very disruptive for business over the next 5 years and 54 per cent of Australian CEOs agree they have a responsibility to retain employees whose tasks and jobs are automated by technology. However, 75 per cent of Australian CEOs were concerned about the availability of key skills to prepare for automation and other changes, a notable increase from the previous year.<sup>28</sup>

To support employers to find skilled workers, the BSB Training Package needs to be focused on developing skills that are complementary to automation technology, and delivering them in a way that is aligned to industry's desire for flexibility. This will also assist in producing an adaptable and transferable workforce. Workers who have skills that automation technology cannot replace are likely to become far more productive and command higher wages. Furthermore, automated tasks can increase work efficiency and therefore allow more time for workers to interact with each other and increase potential for collaboration.

### Globalisation

Globalisation is the integration of a number of economies with regards to goods, services, capital, people, and ideas. Coupled with the advancement of digital technologies, globalisation is impacting many aspects of life through transforming traditional job functions and driving innovation.<sup>29</sup>

One way that globalisation impacts the Business Services workforce is that job roles can now be filled from any physical locations. While the continued physical mobility of labour is not a new phenomenon, the growing presence of the virtual global worker is a new and potentially disruptive factor.<sup>30</sup> Over the past 15 years there has been a growing number of Australian businesses seeking services from abroad in areas such as trade, professional and financial services. Technology, particularly virtual communication platforms, has enabled international providers to deliver services

to Australian employers without requiring a local presence. A number of larger organisations are offshoring support services and re-positioning or displacing previously local roles. PwC's Smart Move report estimates approximately 92 per cent of Executive Assistant roles will be offshored or automated before 2035.<sup>31</sup>

In recent decades, the labour market across Australia has experienced a number of transformations to occupational and industrial structures as a consequence of globalisation. De-industrialisation has seen a shift in employment from mining, manufacturing, and construction to Business Services areas such as small business, administration, and work health and safety.<sup>32</sup> Small businesses are benefitting from the significant reduction in establishment costs, especially those related to IT, sales and marketing. These are enabling workers to re-skill and take advantage of opportunities in new ventures and sectors, although training must be flexible and agile to further support this transition.

### *3.1.2 New ways of working*

Organisations are changing the way they operate and Business Services workers will be increasing required to work in new environments, as explored below.

#### **Virtual teaming**

Individuals in the workforce increasingly need greater communication and organisational skills to manage the changing work environment. Advances in cloud and remote communication technologies are increasing the prevalence of virtual teaming and flexible working arrangements. Virtual teaming is the practice of collaborating with a group of others that are in different geographic locations. PwC research has found 63 per cent of workers expect that the standard eight-hour workday will be obsolete within their professional lifetime, and 68 per cent said they expect to work remotely instead of commuting to a physical office space every day.<sup>33</sup> It is important that Business Services workers in Australia have the skills to navigate this environment, as virtual working teams often span multiple countries, creating increased international competition for Business Services roles.

#### **Rise of the gig economy**

Digital freelancing platforms and applications are changing the way workers participate in the economy. These freelancing platforms are expected to increase the attractiveness of temporary contracting over retaining workers on full-time employment arrangements.<sup>34</sup> As a result, employee career paths are becoming less predictable and workers will need the skills to work autonomously, and be critical thinkers and problem solvers, whilst still having strong interpersonal skills. These skills will enable them to operate as sole traders (or run their own micro businesses) in the gig economy. Training will need to be more agile to enable gig economy workers to upskill in both specialist and non-specialist areas.

#### **More diverse teams**

The Australian workforce is becoming increasingly diverse across many demographics. Greater global mobility has led to an increase in migration. In recent years, more than half of Australia's population growth has been as a result of migration. These individuals are increasingly represented as a proportion of the Australian workforce.<sup>35</sup> This is creating a need for all workers to be skilled in operating successfully in environments of cultural diversity. Similarly, within 10 years Generation Y (individuals born between 1977 and 1995) and Generation Z (individuals born since 1996) will account for greater than 60 per cent of the workforce.<sup>36</sup> This, too, will require workers (and particularly leaders and managers) to have greater interpersonal and emotional intelligence skills to effectively leverage the diversity in values and expectations of employees.

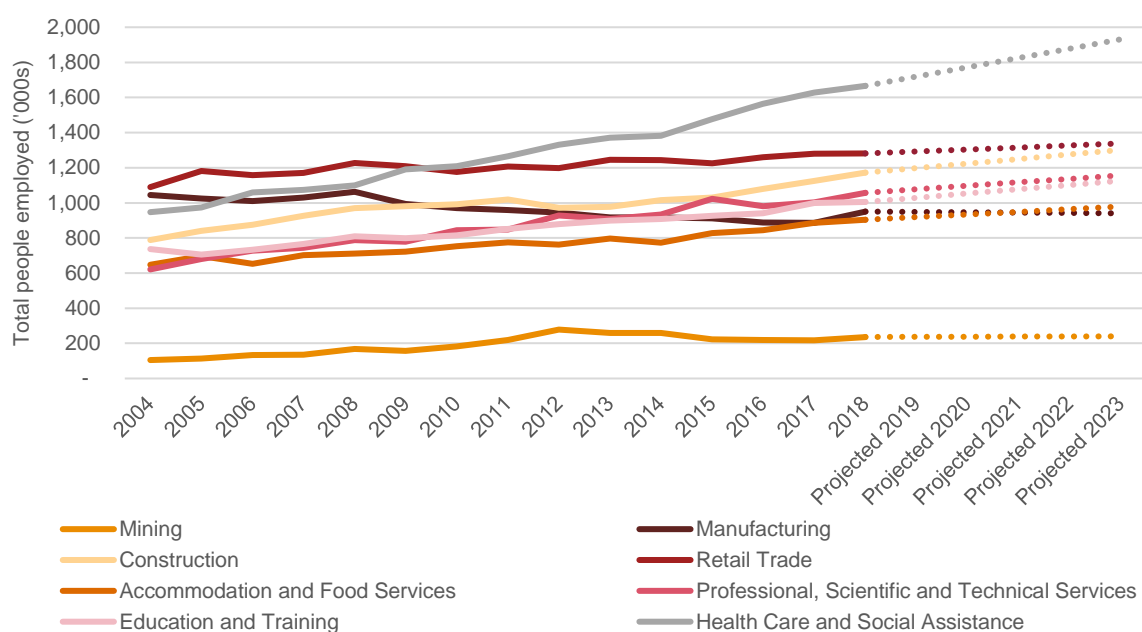
### *3.1.3 Increasing agility across industries*

It is now well-recognised that workers are less likely to remain in the same job, the same organisation, or the same industry throughout their working lives. The average individual entering the contemporary Australian workforce expected to work in 17 job roles across five different industries.<sup>37</sup>

Given the large scale of job roles and employment opportunities, this trend is expected to be particularly prevalent in the Business Services sector. Workers in Business Services job roles are not limited to employment in a single industry or sector, or with a single employer-type. This gives workers greater immunity to industry-specific shocks or downturns by virtue of their transferability. It also means that Business Services workers are more likely to move towards providing their skills to

higher growth service industries, such as health care and social services, construction and education and training (Figure 2 below sets out future growth industries).

**Figure 2: Projected employment growth in selected industries**



Source: ABS (2018) *Labour Force, Australia, Detailed, Quarterly*, cat. no. 6291.0.55.003; Department of Jobs and Small Business (2018) *2018 Occupational Projections – five years to May 2023*

This trend is not in Business Services workers taking up different job roles, but rather taking a similar job role in a different industry – for example, moving from a work health and safety role in mining to a similar role in construction, or from a human resources role for a manufacturing organisation to one in health care services.

This trend is expected to increase demand for micro-credentialing by Business Services workers and employers. These are short pieces of training delivery that focus on sets of skills for changing work environments (e.g. coding and programming). Demand by employers is shifting heavily toward this skill-based ‘just in time’ learning, rather than traditional qualification-based learning. This preference for shorter, more bespoke training solutions is particularly the case where upskilling existing employees, as will be required for agility across industries.

## 3.2 Proposed responses

Given the ongoing project work to respond to these key drivers, no additional responses are proposed in this Industry Skills Forecast. Specifically, the current projects are addressing these drivers as follows:

- To ensure that workers have the skills they need to be agile across industries and adapt to technological and workplace change, current projects are updating units that provide enterprise skills to strengthen the presence of transferable enterprise skills in non-specialist qualifications and across all Business Services training.
- To ensure that workers in specialist sub-sector job roles have up to date and fit for purpose skills that are suitable to the changing technology they work with and workplaces they operate in, current projects are updating technical skills in the sub-sectors of Legal Services; Conveyancing; Human Resources; Audit and Compliance; Information Management; Marketing and Work Health and Safety.



## *4 Consultation undertaken*

Given that this Industry Skills Forecast does not include any new proposed work on the BSB Training Package, consultation on the content has been included in, and informed by, PwC's Skills for Australia and the Business Services IRC's ongoing work engaging with employers, trainers and learners.

Consultation on this Industry Skills Forecast also included comment and review by state and territory education authorities and being published for public comment. This document reflects the key issues and sensitivities raised by those stakeholders throughout.



## *Proposed Schedule of Work*

## 5 *Proposed schedule of work overview*

PwC's Skills for Australia works in an ongoing manner to ensure training provided in the BSB Training Package is fit for purpose and that workers in the Business Services sector have the skills required to adapt to these key drivers for change.

The currently ongoing projects are:

- **Technical Skills** (for Legal Services; Conveyancing; Human Resources; Audit and Compliance; Information Management; and Marketing), which centres around reviewing training products that serve the sub-sectors which are directly aligned to professionalised job roles in the Business Services Sector
- **Business Enterprise Skills** (including Leadership and Management; and Project Management), which was developed in response to an industry-identified need for a stronger core of transferable enterprise skills in non-specialist qualifications
- **Work Health and Safety**, which is reviewing the Work Health and Safety qualifications and UoCs to address identified deficiencies in training product content.

The previous projects are:

- **Digital Change in Small Business**, which reviewed the UoCs and skill sets which support small to medium businesses adapt to impact of digital change
- **Emotional Intelligence**, which reviewed the performance of behavioural and communication skills (emotional intelligence) included in the Diploma of Leadership and Management to determine the potential for expansion across the Training Package
- **Procurement**, which reviewed the suitability of existing purchasing qualifications, UoCs and skill sets, and determine what additional training may be required to meet the emerging skills needs of industry
- **Reviewing Advanced Diploma of Program Management**, which reviewed the continued relevance of the Advanced Diploma of Program Management.

Given the scope of this ongoing work, the proposed schedule of work for the next four years in this document has no proposed projects. It is important that both training organisations and employers have time to understand and implement the changes made in this ongoing work before any future projects are scheduled. It is also important to note that for projects across the four years 2016-17 to 2019-20, all units of competency in the BSB Training Packages will have been reviewed, either through a project (where they are added, edited or removed) or in assessing if they are relevant for a project (and were found to not require editing or deletion).

However, it is also acknowledged that training needs to be adaptable and flexible. Therefore, if any significant but unforeseen technological, regulatory or other changes impact the sector, additional projects may be proposed out of cycle as needed, or, depending on urgency, within the cases for change for 2020-21 and onwards.



## 6 *IRC Sign off*

The Industry Skills Forecast and Proposed Schedule of Work was agreed to by:



Yvonne Webb  
Acting Chair  
Business Services IRC

27/03/2019



# Appendices

# Appendix A Administrative Information

## About PwC's Skills for Australia

PwC's Skills for Australia supports the Business Services Industry Reference Committee.

As a Skills Service Organisation, PwC's Skills for Australia is responsible for engaging with industry and working with our Industry Reference Committee to:

- Research what skills are needed in industries and businesses, both now and in the future, to provide the right skills to match job needs; helping us to stay at the forefront of global competitiveness and support continued economic prosperity.
- Identify and understand current and emerging trends in the global and domestic economies, and how they impact on Australia's skills needs.
- Revise vocational qualifications and training content to better match what people will learn with the skills needs of industries and businesses, giving workers the best possible chance of developing work ready skills.

## About the Industry Reference Committee

The Business Services Industry Reference Committee comprises 13 members. The Committee was refreshed in August 2017, and has set the review and development agenda for the Business Services Training Package over the coming four-year period. The 2018 Industry Skills Forecast and Proposed Schedule of Work was reviewed and approved by the membership below in May 2018.

**Table 5: Business Services Industry Reference Committee membership**

Name	Organisation	Title	Role
Judy Brooker	Australian Library and Information Association	Director of Learning	Chair
Yvonne Webb	Industry Skills Advisory Council (NT)	Industry Engagement Officer	Deputy Chair
Rita D'Arcy	Particularly People	Founder & Principal	Member
Lynda Douglas	Department of Defence	Director of Learning Capability Development	Member
Tanya Harris	The Fred Hollows Foundation	Global Procurement Lead	Member
Michael Magelakis	SSMI Group	Founder & Chief Executive Officer	Member
Louise McGrath	The Australian Industry Group	National Manager – Business and International Advisory Services	Member
Pam Pryor	Safety Institute of Australia	Manager OHS BoK Development	Member
Shaun Ridley	Australian Institute of Management (WA)	Deputy Chief Executive Officer	Member
Ian Sharpe	DXC Technology	Global Program Director – Project Management Capability	Member
Kate Stone	AUB Group Limited	Head of Human Resources	Member
Peter Strong	Council of Small Business of Australia	Chief Executive Officer	Member
Linda White	Australian Services Union	Assistant National Secretary	Member

# Appendix B Business Services Training Package profile

There are 66 qualifications in the Business Services Training Package. Of the estimated 4.2 million learners enrolled in vocational education and training qualifications in 2017, over 360,000 were enrolled in Business Services qualifications (8.5 per cent of all learners in the vocational education and training sector). Table 6 shows the number of enrolments in Business Services qualifications.

**Table 6: Enrolments by qualification**

Qualification	Enrolments (2017)
<b>Audit and compliance</b>	
Diploma of Quality Auditing	885
<b>Conveyancing</b>	
Diploma of Conveyancing	530
Advanced Diploma of Conveyancing	405
<b>Human Resources</b>	
Certificate IV in Human Resources	3,805
Diploma of Human Resources Management	7,195
Advanced Diploma of Management (Human Resources)	930
<b>Information Management</b>	
Certificate III in Recordkeeping	15
Certificate III in Library and Information Services	570
Certificate IV in Recordkeeping	100
Certificate IV in Library and Information Services	550
Diploma of Recordkeeping	5
Diploma of Library and Information Services	1,185
Advanced Diploma of Recordkeeping	15
<b>Legal Services</b>	
Certificate III in Business Administration (Legal)	1,015
Certificate IV in Legal Services	1,040
Diploma of Legal Services	1,030
<b>Marketing</b>	
Certificate IV in Advertising	25
Certificate IV in Marketing	1,055
Certificate IV in Marketing and Communication	5,085
Diploma of Advertising	20
Diploma of Marketing	2,680
Diploma of Marketing and Communication	2,460
Advanced Diploma of Advertising	5
Advanced Diploma of Marketing	1,085
Advanced Diploma of Marketing and Communication	985
<b>Procurement*</b>	
Certificate IV in Purchasing*	105
Diploma of Purchasing*	65
<b>Project Management</b>	
Certificate IV in Project Management Practice	5,170
Diploma of Project Management	13,635
Advanced Diploma of Program Management	530
Graduate Diploma of Portfolio Management	35
<b>Work Health and Safety</b>	
Certificate III in Work Health and Safety	1,115
Certificate IV in Occupational Health and Safety	20
Certificate IV in Work Health and Safety	11,155
Diploma of Work Health and Safety	2,005



Qualification	Enrolments (2017)
Advanced Diploma of Work Health and Safety	295
<b>Qualifications for enterprise skills job roles</b>	
Certificate I in Business	8,385
Certificate II in Business	44,555
Certificate II in Customer Engagement	1,590
Certificate III in Business	45,815
Certificate III in Customer Contact	10
Certificate III in Customer Engagement	7,800
Certificate III in Micro Business Operations	2,110
Certificate III in Business Administration	20,710
Certificate III in Business Administration (Education)	300
Certificate III in Business Administration (Medical)	6,040
Certificate IV in Business	16,950
Certificate IV in Customer Contact	35
Certificate IV in Customer Engagement	1,540
Certificate IV in Small Business Management	1,960
Certificate IV in Business Administration	7,280
Certificate IV in Business Sales	1,035
Certificate IV in Franchising	-
Certificate IV in Frontline Management	135
Certificate IV in Governance	5
Certificate IV in International Trade	1,235
Certificate IV in Business (Governance)	100
Certificate IV in Leadership and Management	20,920
Certificate IV in Environmental Management and Sustainability	50
Certificate IV in New Small Business	7,320
Diploma of Business	27,945
Diploma of Customer Engagement	15
Diploma of Business Administration	8,340
Diploma of Franchising	15
Diploma of Business (Governance)	255
Diploma of International Business	2,700
Diploma of Management	350
Diploma of Leadership and Management	41,205
Advanced Diploma of Business	5,140
Advanced Diploma of Management	55
Advanced Diploma of Leadership and Management	10,880
Graduate Diploma of Strategic Leadership	330
Graduate Certificate in Leadership Diversity	40
Graduate Certificate in Management (Learning)	30
Graduate Diploma of Management (Learning)	235

Source: NCVER (2018) *Total VET Students and Courses 2017*

\*Note: These qualifications are correct as at 2017 for the displayed enrolment data. These qualifications have now been superseded by Certificate IV in Business (Procurement) and Diploma of Business (Procurement)

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- <sup>1</sup> Based on the mapping of qualifications in business services Training Package to ANZSCO. Department of Jobs and Small Business (2018) *2018 Occupational Projections – five years to May 2023*
- <sup>2</sup> Based on the mapping of qualifications in business services Training Package to ANZSCO. Department of Jobs and Small Business (2018) *2018 Occupational Projections – five years to May 2023*
- <sup>3</sup> Based on the mapping of qualifications in business services Training Package to ANZSCO. Department of Jobs and Small Business (2018) *2018 Occupational Projections – five years to May 2023*
- <sup>4</sup> Australian Bureau of Statistics (ABS) (2018) *Count of Australian Businesses, including Entries and Exits, June 2013 to June 2017*, cat. no. 8165
- <sup>5</sup> SAI Global (2018) *ISO 9001 Quality Management System*
- <sup>6</sup> Deloitte (2018) *Impacts of e-Conveyancing on the conveyancing industry*
- <sup>7</sup> Australian Institute of Conveyancers (2018) *E-Conveyancing*, available at <<https://www.aicnational.com.au/about/national-e-conveyancing/>>
- <sup>8</sup> The College for Adult Learning (2017) *2018 Trends in Human Resources Jobs*, available at <<https://collegeforadultlearning.edu.au/2018-trends-in-human-resources-jobs/>>
- <sup>9</sup> Australian Government (2018) *Jobs Outlook: Gallery, Library and Museum Technicians*, available at <<https://joboutlook.gov.au/occupation.aspx?code=3993>>
- <sup>10</sup> IBISWorld (2018) *Document Management Services in Australia, Industry Report OD5517*
- <sup>11</sup> PwC Digital Pulse (2017) *Infographic: AI in the legal profession, 29 June 2017*
- <sup>12</sup> Australian Government (2018) *Jobs Outlook: Purchasing and Supply Logistics Clerks*, available at <<https://joboutlook.gov.au/occupation.aspx?search=Career&code=5911>>
- <sup>13</sup> Project Management Institute (2018) *Who are project managers?*, available at <<https://www.pmi.org/about/learn-about-pmi/who-are-project-managers>>
- <sup>14</sup> National Centre for Vocational Education Research (NCVER) (2018) *Total VET students and enrolments 2017*
- <sup>15</sup> For example, BSBCMM201 – Communicate in the workplace is currently used in 32 qualifications, only three of which are BSB Training Package qualification and BSBWRT401 – Write complex documents is current used in 63 qualifications, 17 of which are BSB Training Package qualifications.
- <sup>16</sup> Foundation for Young Australians (2017) *The New Work Smarts: Thriving in the New Work Order*, available at <[https://www.fya.org.au/wp-content/uploads/2017/07/FYA\\_TheNewWorkSmarts\\_July2017.pdf](https://www.fya.org.au/wp-content/uploads/2017/07/FYA_TheNewWorkSmarts_July2017.pdf)>
- <sup>17</sup> Foundation for Young Australians (2017) *The New Work Smarts: Thriving in the New Work Order*, available at <[https://www.fya.org.au/wp-content/uploads/2017/07/FYA\\_TheNewWorkSmarts\\_July2017.pdf](https://www.fya.org.au/wp-content/uploads/2017/07/FYA_TheNewWorkSmarts_July2017.pdf)>
- <sup>18</sup> NCVER (2018) *Total VET students and enrolments 2017*
- <sup>19</sup> NCVER (2018) *Total VET students and enrolments 2017*
- <sup>20</sup> ABS (2006) *Australian and New Zealand Standard Industrial Classification cat. no. 1292.0*. The following occupations have been identified as being most indicative of the Business Services sector: Archivists, Curators and Record Managers; Research and Development Managers; Practice Managers; General Managers; Chief Executive and Managing Directors; Corporate Service Managers; Policy and Planning Managers; Call or Contact Centre & Customer Service Managers; HR Managers; Finance Managers; Office Managers; Retail Managers; Safety Inspectors; Gallery, Library and Museum Technicians; Conveyancers & Legal Executives; Library Assistants; Human Resource Clerks; Court & Legal Clerks; Other Miscellaneous Technicians & Trade Workers; Training and Development Professionals; Transport & Despatch Clerks; Technical Sales Representatives; Secretaries; Management and Organisation Analysts; Purchasing and Supply Logistics Clerks; Receptionists; Advertising & Marketing Professionals; Contract, Program and Project Administrators; General Clerks
- <sup>21</sup> PwC (2015) *Small Business: Digital Growth*
- <sup>22</sup> PwC (2018) *21<sup>st</sup> Annual Global CEO Survey*; PwC (2017) *20th Annual Global CEO Survey*
- <sup>23</sup> PwC (2018) *Will robots really steal our jobs? An international analysis of the potential long term impact of automation*, available at <<https://www.pwc.co.uk/economic-services/assets/international-impact-of-automation-feb-2018.pdf>>
- <sup>24</sup> PwC (2018) *Will robots really steal our jobs? An international analysis of the potential long term impact of automation*, available at <<https://www.pwc.co.uk/economic-services/assets/international-impact-of-automation-feb-2018.pdf>>
- <sup>25</sup> PwC (2018) *Will robots really steal our jobs? An international analysis of the potential long term impact of automation*, available at <<https://www.pwc.co.uk/economic-services/assets/international-impact-of-automation-feb-2018.pdf>>
- <sup>26</sup> PwC (2015) *A smart move*, available at <<https://www.pwc.com.au/pdf/a-smart-move-pwc-stem-report-april-2015.pdf>>
- <sup>27</sup> McKinsey & Company (2017) *A future that works: automation, employment, and productivity*
- <sup>28</sup> PwC (2018) *21<sup>st</sup> Annual Global CEO Survey*
- <sup>29</sup> OECD (2017) *OECD Employment Outlook*
- <sup>30</sup> Foundation for Young Australians (2017) *The New Work Smarts: Thriving in the New Order*
- <sup>31</sup> PwC (2015) *A smart move*, available at <<https://www.pwc.com.au/pdf/a-smart-move-pwc-stem-report-april-2015.pdf>>
- <sup>32</sup> PwC's Skills for Australia, Open Consultation, Perth 2018
- <sup>33</sup> PwC (2016) *Work-life 3.0: Understanding how we'll work next*
- <sup>34</sup> Microsoft Australia (2018) *Building Australia's future-ready workforce*, available at <<https://msenterprise.global.ssl.fastly.net/wordpress/2018/02/Building-Australias-Future-Ready-Workforce.pdf>>
- <sup>35</sup> Australian Industry and Skills Committee (2017) *Future skills and training: A practical resource to help identify future skills and training*
- <sup>36</sup> ABS (2018) *Population Projections Australia*, cat. no. 3222.0
- <sup>37</sup> McCrindle Research (2014) *Job mobility in Australia*, available at <<http://mccrindle.com.au/the-mccrindle-blog/jobmobility-in-australia>>

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