Response Note

Australian National Skills Taxonomy Discussion Paper
To inform the design of a National Skills Taxonomy (27 June 2024)

Summary

This is a very interesting paper, the SFIA Foundation is keen offer its support and share its own experiences of building and maintaining a skills framework for a complex industry. Of course, it is clear that a taxonomy or framework is only useful if it is effectively used to deliver benefit. It is how a framework/taxonomy is used that is key and the challenge.

We have a track-record of addressing that challenge in a wide and complex sector of employment – but considerably narrower than your proposed scope. Our experiences may be useful information for you to consider and we are happy to share more if you would find it useful.

Our response is not intended to cover a point-by-point discussion of the Discussion Paper but to offer support to the general idea, identify some points for consideration and to offer some of our experiences of building, maintaining and supporting a global skills framework for a wide and complex sector.

1   Introduction and Perspective

1.1   The SFIA Foundation

The SFIA Foundation is a global not-for-profit foundation that:

- Develops and maintains the SFIA skills and competency framework
- Has established an international ecosystem in support of SFIA use
- Supports an international community of SFIA users

The SFIA Framework is an industry/employer-led international collaboration that has created a common framework to describe skills at levels practised in professional employment. It has a 24+ year track-record of use and sustainability and undergoes a complete update and refresh every 3 years – it is never more than 3 years old. SFIA now has a global footprint.

Australia is one of the biggest users of SFIA and the Australian Government pays for a Whole-of-Country SFIA Licence to remove any barriers to its use and generate momentum in addressing skills and competency.

Australia has also been one of the most proactive contributors of input to the various SFIA releases – influencing both the content of the SFIA Framework itself and the direction of the SFIA Foundation.

The SFIA Framework is a very broad framework of skills for digital professionals:

SFIA defines the skills and competencies required by professionals who design, develop, implement, manage and protect the data and technology that power the digital world

> Note: SFIA addresses the skills and competency necessary for a very broad and complex scope of professional employment – **the proposed scope of the National Skills Taxonomy Discussion Paper is, however, very much broader.**

The SFIA Foundation is very open to collaboration and sharing. Our 24 year experience of developing, refreshing, managing and supporting a skills and competency framework may offer some insights.

1.2 The SFIA Perspective

The driver for SFIA is to be useful and usable to industry and employers to enable them to develop their professional workforce for their current and future needs. This constancy of purpose has shaped SFIA since its first release in 2000.

> Note: Maintaining a constancy of purpose can be a challenge to these initiatives, particularly with different influential stakeholder groups all with different exploitation agendas. This can be compounded by frameworks subsequently being used for purposes for which they were never intended.

2 Response Points

2.1 General

The SFIA Foundation is supportive of this initiative and particularly interested in how it progresses. The SFIA Foundation is very happy to share its experiences of creating, maintaining and supporting the use of an employer-led internationally used skills and competency framework to help support this initiative.

2.2 Section Input - Introduction

'Skills development is the backbone of the economy, empowering individuals to transition between jobs and industries, drive productivity and fill skills gaps.'

While we very much like this statement it does not present the employer perspective as strongly as it could. It is easy for employers to feel this statement is not directed to them – they would think that employers make the economy and want the skills necessary which would drive individuals to acquire the skills required which enables them to transition between jobs and industries.

Note: From a national adoption point of view, it may be easier if employers see this as firmly for them, so that they want it, rather than feel it is something else to be done to them.

SFIA has been successful, despite no promotion, because it has made available a straightforward, useful and usable skills and competency framework as a common language for employers to use to develop their workforce.

Without a common/standardised framework, individuals and organisations will provide their own interpretations of their capabilities, resulting in confusion – so it is an important initiative.

2.3 Section Input - Definitions

Definitions are a key element, of course, and go beyond the definitions for the purposes of this proposal document. This is an important area to get as right as possible.

A national taxonomy can potentially 'go beyond national borders', but this is a huge challenge.

SFIA developed the common skills definitions 24 years ago in response to an employer skills need and the existing frameworks at that time not being useful to industry. The SFIA common skills definitions have been international for many years simply picked up because they were useful. As a result of international use, the SFIA Foundation has had to translate each release – those skills definitions are now translated into 13+ languages and while this is very challenging it is essential to any international recognition.

Definitions of terms associated with skills development is a minefield. They are essential to aid understanding but fraught with issues. Regardless of definitions, terms will continue to be misunderstood or misinterpreted – so great care is needed here.

Reference is made to various definitions of skill in Appendix B, and you refer to the SFIA Framework later in the document but do not show SFIA's definitions of skills. While the SFIA definition of the term skill may not be so pure from a taxonomy point of view our approach has been to provide something that is useful to employers.

With a focus on skilling the workforce you might find SFIA's approach interesting:

- Knowledge describes facts and information typically acquired through experience or education. An individual can acquire knowledge without applying that knowledge.
- Skill is applying knowledge and developing proficiency – which could be done in a controlled environment such as an educational institution through, for example, simulation or substantial project work.
- Competency is applying the necessary knowledge and skill in a real-world environment with full professional responsibility and accountability for one's own actions. Experience in a professional working environment represents the difference between demonstrated skill and demonstrated competency.

2.4 Section Input – Section 1

'Bridging the gap between education, employment and economic productivity' is clearly identified and employers would take the view that they deliver 'economic productivity'. It may be worth focussing on how to ensure that employment in general has the skills necessary? The effective use of a skills framework (for industry) could address this.

The focus of the paper appears to be mainly about education to employment which is very important but so is employment to continued employment. Skilling, upskilling, reskilling and job mobility are important to employers and to individuals throughout their working life.

In the notes, in particular, it is the universities and colleges that are identified as the 'skill providers' – the vast majority provide knowledge, but do they deliver skills? It might be worth exploring how employers develop the skills of their workforce and that might, in turn, inform the nature of a national skills taxonomy that can be used effectively by them.

There is mention of ANZSCO. While not familiar with ANZSCO, so not commenting on it per se, we are familiar with ISCO-08 (the International Standard Classification of Occupations). ISCO-08 is an example of a 'framework/taxonomy' good for what it was designed for (delivering gross occupation statistics). It is, however, poor for a different use such as describing, at a more granular level, the differences between roles within a diverse sector and particularly poor for developing the skills of individuals within occupations. This will be important for a skills taxonomy if it is to be respected (and used) by employers.

Again SFIA is mentioned as an employer-based framework and that is precisely why SFIA is used by many employers – it addresses what they require for a skilled workforce. We would recommend a thorough investigation of several frameworks and discussion with employer users of each e.g. Australian Public Service Commission to identify appropriate employer-focussed use cases.

2.5 Section Input – Section 2

This section focusses on potential uses of the NST Taxonomy. This is important and having a clear view of this from the start, along with the key stakeholder group was the driver for why SFIA was created, why it is the way it is and, in turn, why it is used by employers.

SFIA has a very clear view of where it fits into developing the skills of the workforce and is designed to support all of the use cases identified in Tables 1 and 2 of the NST paper. The use cases you identify are precisely the use that SFIA is put to within the digital and business professions.

> **While SFIA addresses a narrower scope than proposed for NST (SFIA covering digital and business roles), the 'SFIA approach' and 'employer focus' would be directly applicable in other areas.**
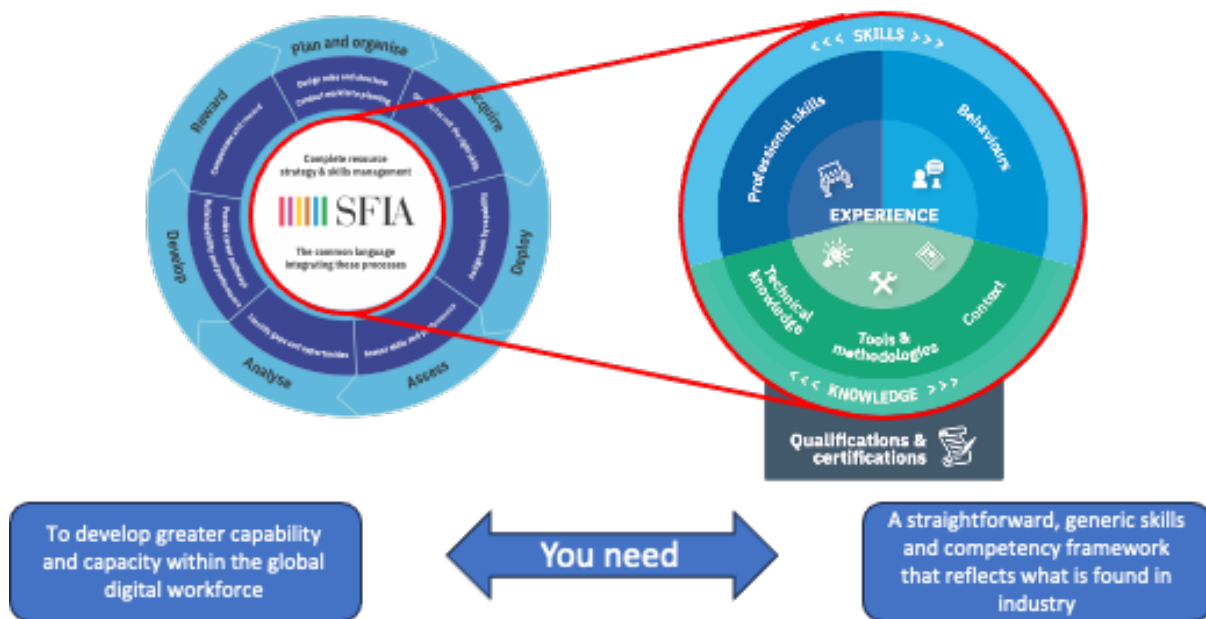
Figure 1 - The context for the SFIA Skills and Competency Framework

2.6 General Points about building a framework

The focus of the paper is a project to develop the taxonomy this is only the first step and describing how it would be used is also key.

The SFIA Foundation, when the SFIA Framework, was first built did not consider any of the aspects beyond building the framework (taxonomy). Those aspects and the challenges associated with them have been learnt about as they have arisen. At least identifying the challenges and thinking about them will inform decisions about this project.

With that in mind, and a framework/taxonomy is only valuable when it is being used to deliver some benefit below are some general points to consider at this stage.

- Initial development of a skills and competency framework:
    - Planning for use and support at the start is essential.
    - Consider incremental delivery, having a structure and approach that enable this would be wise.
    - Initial development cost and timescales is just one component. Factors will be the time to development, time to pilot usage, and time to wide scale use.
    - Any intended interoperability needs to be factored in from the start.
- Maintenance, updating and refreshing of a skills framework/taxonomy:
    - As part of any justification these ongoing factors need to be considered to offer a fair representation of the necessary initial and continuous commitment.
    - Our 3-year refresh cycle is expensive but essential in areas where industry is fast-moving. Factoring this in may significantly influence your approach.
    - We can explain why we do our updates the way we do.
- Providing guidance for the use of the taxonomy/framework:

- o This is essential to gain beneficial use and to avoid misuse.
- o In particular, employers already have various models and approaches for how they develop their workforce so this should be considered up front.
- Embedding use and 'making it stick':
  - o The value of any taxonomy or framework comes for its effective use and persistence.
- Supporting an ecosystem for users:
  - o This needs to be considered in order to have effective use.
- Supporting international use:
  - o It was never SFIA's aim but it happened and happened quickly. This influences how the taxonomy/framework must be supported.
- Responding to 'new uses' of such a framework:
  - o This will largely depend on how you have structured and made the framework available.
- Indicative costs and timescales for development, updates, embedding and international adoption:
  - o While we can only speak for the costs of managing our smaller scope, it may offer some insight as to the real costs/timescales involved in such an activity.
  - o Our experiences may be able to help you reduce costs and shorten timescales.
- Framework interoperability - particular challenges:
  - o This does not happen by chance, nor does it fall into place after the event. We did not consider this early on and are having to consider it after many years of widescale usage. We are fortunate that it is mostly other taxonomies and frameworks that need to align with SFIA but the issues are the same and need to have integrity.
  - o There will inevitably be other frameworks and taxonomies, thinking about this upfront would be advantageous.
  - o Possibly ensuring interoperability with frameworks currently in use (such as SFIA) might be beneficial.
- Mapping frameworks to other frameworks, to industry standards, bodies of knowledge, role frameworks and international standards:
  - o This touches on both use and interoperability – it is inevitable.
- Mapping education and training to employer skills:
  - o This is just one use case for such a taxonomy/framework and easy to become a 'push onto industry' rather than a 'pull from industry'.
  - o It is required and precisely why an employer-led focus is needed. That way education will provide offerings that employers need (and willingly consume) rather than employers having to consume whatever education currently has.
- Bridging the gap between education and employment and skills development for full lifetime employment:

- A taxonomy/framework needs to offer support throughout the full career of individuals. That means that a focus on education to employment, while important, may not be enough or deliver most benefits.
- Structure of the skills framework/taxonomy:
  - The structure of the taxonomy/framework needs to be carefully thought through to enable the effective use.

2.6.1 A further word on structure and approach.

SFIA is the way it is because frameworks of the time were addressing the wrong thing from an employer point of view. As a result of this focus on the employer, SFIA has become very well-liked by employers and so it has been relatively easy to show how it fits their needs and how its use can be beneficial to them. It is also a way in which education and training providers can position their offerings to support employer needs.

Because SFIA is a straightforward framework of Levels of Responsibility, Professional (technical) Skills, Behaviours and business/workplace skills it is 'universally applicable' for employers. It is relatively easy to add new skills (additional technical skills) for new areas or new 'behaviours' or 'workplace skills' as necessary.

A similar approach to SFIA's in terms of 'views' might be a suitable model for the NST in terms of an incremental approach. New areas are added to SFIA as required by industry – so SFIA's scope is expanding beyond the sector it was originally intended for all based on the well-established structure that is widely applicable.

It is also easy to identify knowledge necessary for the performance of skills in particular environments. Our approach might inform some of your thinking in shaping your approach and structure and may give an insight into your interoperability goals.