



**Textiles, Clothing and Footwear
Industry Reference Committee**

MST Textiles Clothing and Footwear Training Package

Business Case

November 2016

Prepared by
Manufacturing Skills Australia

A. Administrative information

Name of IRC: Textiles, Clothing and Footwear IRC

Name of SSO: Manufacturing Skills Australia

This business case provides evidence of the need for an update to a number of components of the MST Textiles, Clothing and Footwear Training Package to address current industry trends and workforce needs in the textiles, clothing and footwear including:

1. Development of a business management stream within the Fashion Design and Technology qualifications:
 - a. Business/small business skills
 - b. Budget and finance
 - c. E-commerce
 - d. Social media
 - e. Web-based marketing
2. Conducting a full review of the dry-cleaning qualifications to include:
 - a. Customer service skills
 - b. Point of sale (POS) equipment
 - c. New designs of equipment
 - d. New solvents
 - e. Chemical safety and disposal (and aligned to European Union standards)
 - f. Alternate/green solvents

The proposed components comprise the following for fashion:

- Three qualifications
- Sixteen units of competency (including a possible three units in ethical and sustainable supply chain participation)
- Four skill sets

See the full list in Appendix A.

Description of scope of work is at Part C below.

B. Methodology for review

Stakeholder consultation

Following approval by the IRC, a targeted survey of stakeholders was conducted. This was also accompanied by a series of face-to-face meetings, phone interviews and email conversations to provide industry intelligence on skills needs, workforce directions and industry trends for each project. A full list of all stakeholders contacted can be found in Appendix B.

C. Outcome of the review

Imperative for change

Dry cleaning

The outcome from consultation with the dry cleaning industry was that a review of the dry cleaning qualification was not needed at this time. Therefore, the IRC recommends that no further action be taken with regard to the dry cleaning qualification.

Fashion design

There was strong demand for the review of the business management stream within the fashion design qualifications to ensure that graduates had the skills required to transition to a successful career in the industry.

The fashion industry globally is a multi-trillion dollar industry. Internationally, Australian designers are being recognised for their innovative and original creations. The industry in Australia is dominated by small businesses and sole operators. There are many innovative young designers who complete their studies and set up their own businesses only to fail due to the lack of business skills. It is difficult to quantify an exact number, however the industry estimates as many as half do fail within the first five years.

It not just those graduates wanting to set up their own businesses that need these skills. According to stakeholders, it is important for designers coming into existing companies to also have business skills. This leads to a better understanding of how the business works, less wastage and higher productivity. There is also a growing demand for people with business skills as well as some understanding of design and the industry within fashion businesses. The industry wants 'work ready' graduates and this includes having business skills.

There is currently a business stream in each of the following qualifications:

- MST40516 - Certificate IV in Applied Fashion Design and Merchandising
- MST50116 - Diploma of Applied Fashion Design and Merchandising-
- MST60116 - Advanced Diploma of Applied Fashion Design and Merchandising

However, industry feedback is that there needs to be more business units included. Fashion marketing has changed within the last year to become more focused on online platforms, anywhere from marketing to purchases. The online area is starting to dictate what product is being produced. More and more small fashion design businesses are starting up. Many of these businesses are purely online, focusing on meeting the needs of individual customers and producing design specific to the customer's needs.

In particular, stakeholders want units on small business skills such as business planning, budgeting, understanding balance sheets, compliance, etc. E-commerce skills are also important with the industry reporting that much of the industry has or is moving to online platforms. Graduates need skills setting up and conducting business online, including sourcing product and services. Social media is also another area in which graduates need skills. Having a social media presence is seen by the industry as essential to success. Graduates need to have knowledge and the skills to evaluate and effectively use different social media platforms, not only in Australia but globally. Tied to social media is the need for skills in web-based marketing.

The skills and knowledge to work within an ethical supply chain was another area that the industry

identified as crucial for business success. Increasingly the customer is demanding to know where and how their products are made. Understanding how global supply chains work and what options there are when sourcing materials and services have been identified by the industry as necessary for graduates. Further research is needed to identify the number and content of units required for skills in this area.

The inclusion of relevant units in these skill areas will support the industry to continue to compete both within Australia and globally. It will also increase the employability of graduates and provide workers with another career path within the fashion industry. For young designers setting up their own businesses, it will provide them with the skills to improve the potential of success in a competitive and vibrant industry.

The industry is no longer 'sector-ized'. (Creative/Business Management). A 360 degree understanding means an individual is able to work realistically within the constraints of a business, while harnessing all the elements at hand. Fashion is an international business, and competition is fierce. Information in all aspects is a powerful competitive tool.

Scope of work

To address these issues, and ensure the continued success and viability of the textiles, clothing and footwear industry, the Textiles, Clothing and Footwear IRC, through this business case, proposes:

- Assessment of a range of units of competency within the Business Services Training Package for suitability for inclusion in the current business management stream for the fashion industry
- Development of new units of competency in e-marketing to support the skills required in the fashion industry
- Development of new units of competency to address the skills needed to work in an ethical and sustainable supply chain in the fashion industry. Further research is required to determine the exact number and content of such units.
- Development of four new skill sets to address the business management skill needs of workers in the fashion industry

D. Estimated impacts of proposed change

Impact of implementing the changes

Impact and benefits associated with changes proposed within this business case:

- Creation of industry defined and supported national training products
- Provide the industry with 'work-ready' graduates
- Increased productivity and growth of the industry
- Offer increased employment opportunities and career pathways for fashion graduates
- Enable Australia to retain a viable national fashion industry
- Strengthened partnerships between industry and the vocational education and training sector

Impact of not implementing the changes

Impact and risk associated with no change:

- Loss of talent and productivity
- Increased recruitment and training cost to the industry
- Inability to respond to rapidly changing business conditions in a global marketplace

E. Outstanding issues

No outstanding issues have been identified to date. MSA will work with the IRC and the allocated SSO to ensure a smooth transition of work should this business case be approved.

F. Proposed approach and estimated timeframes for undertaking development work

Training package development work will follow the standard stages of: project scoping, technical development, validation, final draft, quality check, validation and endorsement.

The recommended time to complete the work is 12 months to the time of submission for endorsement.

G. Training product review status

Please see Appendix A.

H. IRC Signoff

This Business Case was approved by:

David Giles-Kaye, Chair

Date: 29 November, 2016

Appendix A

Schedule of Review of Training Products: 2016-17

SSO Name: Manufacturing Skills Australia

Contact details: David Giles-Kaye, Chair

Date submitted: 30 November, 2016

Training Package code	Training Package name	Qualification code	Qualification name	Unit code	Unit name	Skill Set code	Skill Set name	Review status	Change required
MST	Textiles Clothing and Footwear	MST40516	Certificate IV in Applied Fashion Design and Merchandising						3.5
		MST50116	Diploma of Applied Fashion Design and Merchandising						3.5
		MST60116	Advanced Diploma of Applied Fashion Design and Merchandising						3.5
						MSTSS00001	Basic business skills		new
				BSBFIA402	Report on financial activity				3.5

				BSBSMB402	Plan small business finances				3.5
				BSBSMB404	Undertake small business planning				3.5
				BSBSMB406	Manage small business finances				3.5
						MSTSS00002	Conducting an online business		new
				BSBEBU502	Implement e-business solutions				3.5
				BSBMKG408	Conduct market research				3.5
				BSBMKG413	Promote products and services				3.5
				BSBSMB413	Design a digital action plan for small business				3.5
				BSBITU305	Conduct online transactions				3.5
						MSTSS00003	Web-based marketing and social media		new
				BSBMKG412	Conduct e-marketing communications				3.5
				BSBEBU401	Review and				3.5

					maintain a website				
					Analyse and select appropriate social media tools				new
					Plan an e-marketing campaign				new
						MSTSS00004	Ethical and sustainable supply chain participation		new
					3 new units to be developed				new
					Total qualifications	3			
					Total Units of Competency	16			
					Total Skill Sets	4			

Appendix B

Textile Clothing and Footwear Stakeholder List – Business management skills within Fashion Design	
Name	Organisation
Sarah Ashburner	South Regional TAFE
Janine Martin	TAFE Queensland Brisbane
Helen Stanely	TAFE Queensland Brisbane
Heather Mikkelsen	Australian Institute of Creative Design
Irving Lane	TCFWA
Meriel Chamberlin	Apparel & Textile Industries Group
Rae Ganim	Rae Ganim Designs Pty Ltd
Ute Ronacher	Camillion Designs
John Kirkhope	Kirkhope
Robyn Lyons	Consultant
Susan Renouf	Renouf & Associates
Kate Byrddy	Jeanswest
Elizabeth Disler	Ladelle
Tina Guglielmino	RMIT University
Megan Kirkham	Kangan Institute
Mandy Penton	RMIT University
April Prendeckij	Australian Institute of Creative Design
Christine Clark	RMIT University
Brian Tonkin	Drycleaning Institute of Australia
Christine Hughes	TasTAFE
Robyn Pedler	Sunnybank SHS
Mimma Gatto	Open Colleges
Evangeline Agius	Technical Fabric Services Australia P/L
Ron Newman	Virtu Institute
Leon Drury	MSA NSW ITAB
Kay Gerard	FFTITC
Lee Carter	Department of Education and Training VIC

Textiles Clothing and Footwear Stakeholder List – Dry Cleaning qualifications review	
Name	Organisation
Yvonne Webb	Industry Skills Advisory Council NT
Stephanie Gridgeman	Territory Laundries

Kerryn Wollington	LDCT Laundry Dry Cleaning Training
Peter Bonnell	RMIT University
Kerryn Wollington	LDC Luxury Dry Cleaning
Jennifer Allaway	Aspire to Succeed
Brian Tonkin	Drycleaning Institute of Australia
Warwick Brown	Princess Laundry
Carolyn Macgill	Australian Industry Group
Brian Higgins	Kannegiesser Australia Pty Ltd
Lee Carter	Department of Education and Training VIC