

PRESS CUTTINGS

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INTERNATIONAL PRESS-CUTTING BUREAU
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Extract from
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How to train and keep 'em

JOBS SCENE

Training may now
be less painful
for employers

The technology industry is well known for a reluctance to invest in training — many companies prefer to poach experienced staff from one another.

This acts as a deterrent to firms which want to train since they believe their staff will be lured away by high salaries once trained.

The scale of their predicament is reflected in the high turnover rates in the IT industry: about 50,000 are estimated to move to a new job each year. Not surprisingly, some companies are searching for ways to protect their investment in training.

Graduates are a particularly sore point with some com-

panies, which find that it takes several years of intensive and expensive training to develop the students into competent technicians, only to find that they leave as soon as the course is over. The argument goes that firms which do not train have more money to spend on bigger salaries than those that do. As the number of graduates declines, competition will become keener. Attempts to keep well-trained staff will increase.

A scheme has now been adopted by some computer-services companies to counter the problem. In return for training, staff are expected to sign a contract to stay with the firm for a specified period which covers the duration of the training and a payback period afterwards.

Staff who leave before the end of the agreed period are expected to repay a portion of the cost of the training they received.

Electronic Data Systems

(EDS) is believed to be the first company to introduce such a contract for people joining its graduate-training programme, which is divided in three phases.

Recruits must sign an agreement after the first nine to 15 months before the second phase of career development is started. Staff are expected to agree to stay for three years.

EDS is willing to take legal action to enforce the agreement. It has already taken one former employee, Philip Hubble, to court in an attempt to force him to repay up to £4,500 of the cost of the training. At appeal, the case was sent for full trial but will not be heard until next February.

Hubble is being backed by the Manufacturing, Science and Finance (MSF) Union and a number of further cases are pending against former EDS employees. This has not stopped another firm, Rocc, trying a scheme similar to that

of EDS. It introduced one this year, although Rocc doubts that it would seek to be compensated by staff who leave before the payback period's expiry.

"We spend more than £30,000 on each person's training, which ultimately leads to a professional qualification with the British Computer Society," Mike Aldrich, chief executive of Rocc, says.

"Graduates spend up to 20 weeks a year training and we do not get a return until the third year. It takes seven or eight years for someone to become a professional in a particular sphere of specialization. Some graduates used to come and join us, then stay only two years. We get them to sign a contract to remain with us as the stakes are high.

"I think these contracts ought to be mandatory. The industry cannot go on the way it is. Many of my industry colleagues say they are going to do it."



Aldrich: Contracts the answer

However, not all firms with heavy investments in graduate recruitment and training are prepared to accept this view.

"I am emphatically against these agreements. We should keep investment in training separate from the employment contract," Peter Forbes, ICL's graduate recruitment manager, says.

"The boot is so definitely on the graduate's foot already that putting penalties on recruitment might be seen as a deterrent to joining the firm."

"The most effective contract is one that both parties enter freely."

Leslie Tilley

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Peter's decade

AREA consultant Peter Hickman, from Plumpton Green, recently celebrated ten years of service with Crawley-based ROCC Computers Ltd.

Mr Hickman received a rolled gold pencil, a pen set and a certificate. The presentation was made by the company's chairman, Michael Aldrich.

Pictured from left are Pat Muir, divisional director/systems support, Mr Aldrich, Mr Hickman and Mike Escott, divisional director southern region.

Michael Aldrich BA FBCS FIIInfSc CBIM
Chairman, ROCC Computers Ltd

Home Sweet Classroom

In Coppergate, York, England, under a modern shopping centre, a Viking street circa 950 AD has been lovingly reconstructed. The street is a time-warp full sensory recreation, authenticated by archaeological evidence, of another life complete with smell of pig-pen, Viking street sounds and a wickerwork outside privy. The thatched huts lining the street are squalid. Life was obviously short and somewhat wretched. The nutritional, sanitational and hygiene problems are plain to see. Entertainment was probably in short supply. Rape, pillage and plunder were out of fashion. Ringworm and intestinal performance may have featured largely in daily conversation. Education was sitting next to Olaf.

The thatched huts were for shelter and privacy. A thousand years later our homes still provide shelter and privacy but the wide-ranging social, cultural, political, economic, educational and technological changes during those years have transformed our expectations of our homes. The physical changes between a 950 home and a 1989 home are dramatic as are the changes in use.

Today's home is the stage that is dressed with furniture, furnishings and props to mirror personal life-style as well as providing the basic shelter and privacy requirements. With 60% of the UK householders now home-owners, the home can become the materialisation of individualism catering for the 'ME-WORLD' of a polymorphous and eclectic culture. People can express their individuality through their homes just as they do with their clothes.

But if culture has provided the desire for creating personal life-styles, technology has produced the means. Improvements in materials and methods mean that better home buildings can be made available in large numbers. The connection of basic services (piped energy such as gas and electricity, piped water and sanitation and piped communications such as telephone and television) means that the attractions of the home are greater, more things can be accomplished there and we enjoy spending more time there.

The home is changing rapidly. A 1989 home has about the same installed horsepower as a turn-of-the-century textile mill. Domestic appliances are in abundance - cookers, washing machines, clothes dryers, vacuum cleaners, hair dryers, toasters, refrigerators, freezers, food-mixers, electric kettles and irons, pressure cookers, dish-washers, coffee machines, deep-fat fryers and the rest. For information, education and entertainment, there are transistor radios, hi-fis, static and portable televisions, video cassette recorders, audio cassette players, personal computers and audio/videodiscs. The torrent of appliances reflects continuing changes not just in the home but also in the world outside and the general improvements in standard of living.

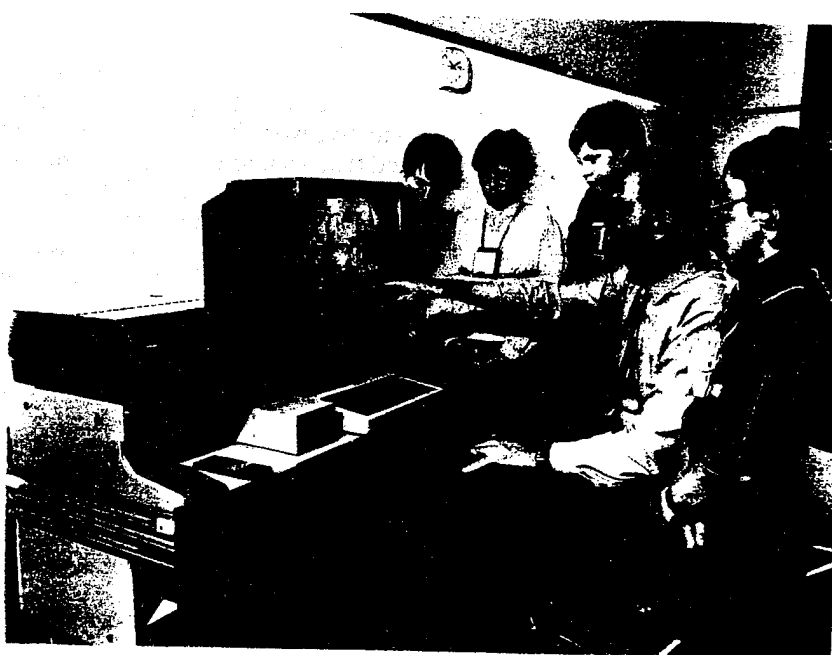
Making it private

Let us take a simple example. The fractional horsepower electric motor created much of the electrical appliance industry. The washing machine was transferred from the laundry industry to the home. The work previously done in the laundry was done by the so-called consumer on a Do-it-Yourself basis in the

In Viking England, says Michael Aldrich, education was sitting next door to Olaf. Then the classroom was invented. Now, people who want to learn can stay at home and use a whole range of technological services. The need is urgent, since we will have to re-train several times in a working life.

Michael Aldrich is chief executive of ROCC Computers. He was the inventor of the teleputer.

Chris Jones, research psychologist at Donaldson's School for the Deaf, explains to pupils how interactive video works



home with the new machine. A new technology changed an industry.

It was not just one industry that was affected. The refrigerator/freezer has changed the food processing industry and the restaurant business. Convenience foods have altered eating habits. Do-it-Yourself has reduced restaurant visits. Takeaway food sales have soared. Today's homes have the central heating and fitted carpets previously found only in plush restaurants.

The comforts of the cinema have also transferred to the home. Television and the VCR provide a mix of entertainment that the cinemas could not compete with either in quality or in price. The growth of video rental means that a householder can also be the impresario of his own cinema as well as patron of his own restaurant, manager of his own laundry and director of his own hotel. In this new lifestyle theatre the individual can play every role often simultaneously.

Product/service substitution or displacement are not new in economic terms. If the laundry service is substituted for the washing machine product, the resulting economic activity is partly measured by existing indicators. If cinema is displaced by home VCR again partial economic measurements are made. In both cases there is no measured output from the home activities.

However, the scale of service shift from the measured economy to the home economy is growing fast. Laundry, cooking, home repairs, refurbishment, entertainment are examples of entities once considered to be commercial activities, now transferred largely to the home through intermediaries such as labour-replacing machines and gadgets.

Most work is done at home

It has been estimated that 51% of productive work in the UK is already done in the domestic sub-economy against 46% in the so-called official economy with the black economy accounting for the rest. The home, it could be argued, is already the productive work base. It has also been estimated that around £85 billion of further household spending could be shifted out of the High Street into the home. The home could become the command base for consumer spending if it has not already become just that.

This trend towards the Do-it-Yourself, self-sufficient, multi-service home, producing and consuming and in its 'ambience' reflecting the theatre of an individual's or a family's lifestyle, is some way from the traditional idea of neat rows of identical houses – identical inside and out – Parker Morris houses for Parker Morris people.

The biggest change to the home has, however, yet to strike. The information technology revolution of the last decade

has started to swamp the home with electronic products from calculators to computers, but it has yet to put the disparate products together as systems. Information technology was itself the symbiotic coupling of computers and telecommunications. The products of information technology coupled together as cohesive, intelligent systems will create a further revolution. We have already witnessed the revolution of invention. We await the revolution of application.

The product/service substitution or displacement between educational institution and home will be one area of new application of information technology. This application will develop in two stages. Firstly, educational institutions will become service centres and, secondly, these centres will repackage and media-convert their products for delivery by less labour-intensive techniques. In the second stage, the home will become more important as the place for formal education.

Institutional education, particularly our schooling system, is largely a Victorian invention. It was the transfer of Victorian batch production techniques to the schoolhouse that created the system that is still in operation today. Raw materials (students) are transported to a central factory (school) to be processed by skilled workers (teachers). For each student there is a fixed place of work (desk) and activity changes are denominated by the sounding of a bell. Discipline is rigid and often controls even students' clothes and appearance.

The process workers (teachers) have become almost mythical figures providing discipline, value systems, counselling, behavioural psychology, culture, child-minding and teaching among other services. The process workers have also retained until recently a very tight control on the industry because complexity has always been a deterrent to organisation.

Dis-satisfaction with the efficiency of the process in the last decade, coupled with demographic and technological changes, have created a much changed view of institutional education. The efficiency changes now coming into place are managerial rather than structural. The demographic and technological changes are of greater long-term significance.

The three 36s

Demographic change has been vulgarised as the greying of the society. By 2050, it is forecast that 30% of the population will be over 65 years old. With the rapid developments in medical science, the next century will see centenarians as relatively commonplace. The formal working life continues to shorten. We are moving from the three 48s to the three 36s: 36-hour week, 36-week working year and 36-year working life.

At the same time, rapid technological change will ensure that in a 36-year working life a skilled worker may need re-training 3-4 or more times.

The technological changes affect not just the workplace but also the home. The home is the centre of the four great circles of telecommunication. With competition the real cost of telecommunications will fall for the foreseeable future and the plethora of services, features and facilities will escalate.

In this evolving environment, the demand for educational services – rather than educational institutions – will mushroom. Institutional education will be dis-established in its current form of market leader and will be geared primarily for the young. Educational services will be the new mass market growth sector for all the population.

Personalised education

These services will be a mix of life-style or leisure-oriented education and serious credit-oriented services leading to recognised qualifications. The concepts and organisation behind many of these services will be derived from Open Learning. The distribution mechanisms for the material will be increasingly by telecommunications and the delivery machines in the home will be a mixture of television, personal computer, VCR, videodisc and facsimile.

Open Learning was pioneered by the Open University through the medium of television, although there had been a long history of non-institutional education and training. Open Learning is student-oriented and demand driven. There are no minimum class sizes, courses take place at any time or in any place, the pedagogy can be matched to the student and the syllabus can be constructed with due allowance for the student's previous experience. But is the quality on a par with institutional education?

The class system of education was constructed for economic reasons not for educational reasons. Curriculum experiments and administrative experiments over the last decade have shown that open learning techniques are practical, workable and yield excellent results partly because they benefit from the spin-off of highly motivated students.

There is reason to believe, therefore, that the burden of tuition can be moved from teacher to material and that teachers can be used for study guidance and assistance rather than for teaching. A new model for education can be seen to be in the making which is not the rigid, expensive and often inappropriate teacher-oriented institutional model, but a flexible, less expensive, more consumer-tailored and consumer-oriented approach. The administrative development for Open Learning Systems (now dubbed OLS)



currently identifies three administrative models, *resource-centre* based open learning systems, *local* open learning systems and *distant* open learning systems.

These arrangements are already in use in a number of continuing experiments. The resource centre in the new approach is the college or workplace or could be the schoolhouse depending on whether it is on a regional or local basis. The workplace could be an office or a factory. As currently constituted, these centres deal with the most popular or most appropriate learning topics. This is the first stage of development as educational institutions become service centres.

The potential for home-based education services using new OLS consumer electronics, telecommunications services and new approaches to education is far-reaching. The market of a greying population in need of multiple lifetime skills and life-style and leisure educational support is extremely attractive. The changing orientation of institutional education to the commercial awareness of educational service opportunities and the economic necessity of exploring those opportunities will provide catalysts.

The pace of change will be dictated by commercial and economic forces. Existing methods will not be easily or quickly displaced. There is going to be a market share battle with pronounced re-distribution towards those who can best meet consumer demands. Processes will be automated and people's roles will change.

The home itself will become even more multi-dimensional. One of those dimensions will be as the classroom to enable more structured education in an environment that already caters for lifestyle entertainment, fun and rest. It is all a long way from the hut of yesteryear.