



COMMUNITY PHARMACY

ENVIRONMENTAL SCAN 2011

2011



Contents

Introduction	1
The role of Service Skills Australia	1
Objectives	1
Key messages.....	2
Latest industry intelligence	2
The contribution of the industries	2
Retention.....	3
Small and medium enterprises	4
Regional aspects	5
Macro-environment factors	6
Growing population	6
Ageing population	6
Business trends	7
Technology	7
Identified workforce development needs	8
Quality delivery – industry’s contribution.....	8
Completion rates	9
Suggested approaches to workforce development	10
Recognition of prior learning.....	10
VET in schools	11
Current impact of training packages	12
Future directions for endorsed components of training packages	14
Appendix A – Community pharmacy occupations and qualifications in demand	15
Endnotes	16

This document supports the *Service Skills Australia 2011 Environmental Scan*.
For information on trends in other service industries, see our Environmental Scan findings for:

- Funeral Services
- Hairdressing and Beauty Services
- Retail, Wholesale, and Floristry
- Sport, Fitness, Community and Outdoor Recreation
- Tourism, Hospitality and Events.

All of these documents can be viewed and downloaded from our website, www.serviceskills.com.au

INTRODUCTION

THE ROLE OF SERVICE SKILLS AUSTRALIA

Service Skills Australia (SSA) is the Industry Skills Council for the service industries. Skills councils are the recognised national bodies providing advice to government and industry on industry training and skill development needs.

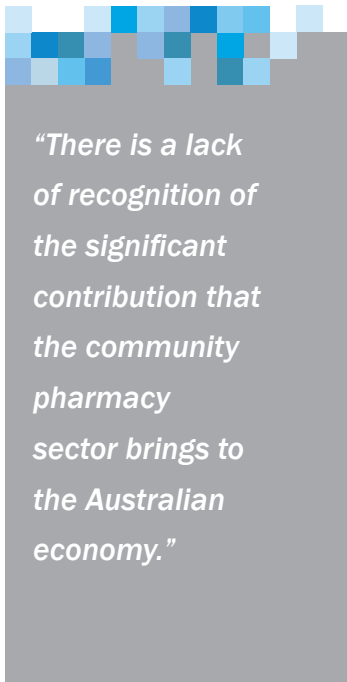
SSA is an independent, not-for-profit body, managed by industry members and funded by the Australian government. The strategic goals of SSA, developed in partnership with the industries, are to:

- develop a culture within the service industries which promotes and enhances the skills development of its workforce
- develop policies, programs and services, including industry training packages, that support industry needs in relation to skills and workforce development
- achieve quality skills outcomes throughout the service industries
- produce quality workforce development information and use industry intelligence to inform decision making.

SSA represents the interests of businesses across sectors, including tourism, hospitality and events; sport, fitness and recreation; and retail, wholesale and personal services.

OBJECTIVES

This environmental scan provides an industry-specific overview of current and future trends and developments in the community pharmacy industry in relation to workforce development and vocational education and training (VET). Developed in partnership with industry and based on data mostly collected between February and December 2010, the scan reflects key issues and provides information on current and future skill demands, and their context, to inform the continuous improvement of SSA's suite of skills and workforce development strategies, including training packages.



“There is a lack of recognition of the significant contribution that the community pharmacy sector brings to the Australian economy.”

KEY MESSAGES

SSA's Environmental Scan 2010 advocated for skill development in the right way and in the right timeframe. Skill development needs to occur in a way that ensures that the right skills are being developed for the job outcome, context of learners, and learners' work circumstances¹. These issues are still valid and current.

There is a lack of recognition of the significant contribution that the community pharmacy sector brings to the Australian economy.

Businesses and employees in this sector bear the consequence of a broad misconception that workers are low skilled, with a lesser need for support and resourcing to develop skills. Consequences may be seen to include poor funding support, lack of recognition of careers in the industry, and ongoing issues in the quality of training and assessment delivered by some providers.

This key message from 2010 scan is still current. Policy settings will need to recognise the strong linkages between the service industries and other industrial sectors in order to ensure sustainable workforce, communities and national economy.

LATEST INDUSTRY INTELLIGENCE

THE CONTRIBUTION OF THE INDUSTRIES

- There are 5,115 community pharmacies in Australia (as of November 2010)²
- The sector employed approximately 48,300 people in 2010³
- The average community pharmacy dispenses 49,738 prescriptions a year⁴
- There is expected to be higher growth in the number of pharmacists in the workforce than in any other health subsector, with growth between 2007 and 2038 projected to be 160%⁵
- In 2008-09, community pharmacies helped supply 181.8 million Pharmaceutical Benefits Scheme (PBS) scripts, up from 171.3 million scripts in the previous year. With growth rates expected to be in line with their five year average, the industry is expected to generate a revenue figure of \$12.3 billion in 2010-11, up from \$11.1 billion five years earlier⁶.
- Community pharmacies contribute an annual turnover of \$8 billion and tax revenues of \$200 million to the Australian economy (March 2009)⁷.

The community pharmacy industry is made up of mainly small and medium-sized enterprises (SMEs). Community pharmacies provide a variety of products and services; not only selling prescription and scheduled over-the-counter medicines, but also playing a role in the provision of related support services, such as medication management, and health education, information and advice.

Community pharmacies are moving from one-off service provision to a model of continuity of care. The breadth of services offered by these pharmacies has increased in recent years to health advice on drugs and medications as well as services for well-being. As a result, pharmacy and dispensary assistants will need skill development in such things as medication advice and compliance and health education to support these growing services. This need takes on greater significance when viewed in light of the federal government's Preventative Health Strategy⁸ and the Fifth Agreement.

The community pharmacy sector is subject to a high level of regulation, in particular ownership laws which limit the ownership of pharmacies and legislative frameworks for dealing with scheduled

medicines, such as 'Pharmacy' (S2) and 'Pharmacist Only' (S3) medicines. These growing regulatory demands require training to target the specific required skills and knowledge.

The community pharmacy industry often describes its workforce as a 'two-tier' workforce consisting of part-time and casual labour on the one hand and full-time labour characterised by experience, longevity and maturity on the other. The industry is also a labour-intensive one; its services not as easily automated as those of other industries. Therefore, management skills incorporating motivation, leadership, conflict management, planning and team building are crucial to the industry for its continued growth and productivity.

Community pharmacists are also continuing to assume new roles in disease management and preventative health. These changes have the potential to increase demand for pharmacy assistants. At the same time the trend towards pharmacy aggregation into larger businesses, including competition from supermarkets, has the potential to decrease demand for pharmacy assistants. The impact of these changes upon the overall demand for pharmacy assistants is unclear but demand is unlikely to decline in the medium term (Human Capital Alliance 2010)⁹.

The five year Fifth Community Pharmacy Agreement between the Australian Government and the Pharmacy Guild of Australia commenced on 1 July 2010. It recognises the key role played by community pharmacy in primary health care through the delivery of Pharmaceutical Benefits Scheme (PBS) medicines and related services. The Agreement provides \$15.4 billion in remuneration over the life of the Agreement for around 5000 community pharmacies for the dispensing of PBS medicines, the provision of pharmacy programs and services, and the Community Services Obligation arrangements with pharmaceutical wholesalers. A commitment to maintaining location rules for approved pharmacies is also provided¹⁰. Industry feedback has stated that this agreement will tighten the requirements for dispensing medications and associated services so they can only operate from a registered pharmacy. There is no indication in the agreement that allocations of new pharmacies or the transfer of pharmacy locations will include supermarkets. This will therefore reduce the opportunities for supermarkets to further expand into the retail pharmacy space. It is also anticipated that the agreement will have an impact upon pharmacy and dispensary assistants in terms of increased responsibilities.

RETENTION

Retention of talent is an important focus for the industry, although this focus does not necessarily extend to the retention of casual employees. The view put forward in consultation is that good pharmacy assistants are leaving the industry because of a lack of recognition. Casual employees are predominantly trained for the work they need to perform to do their job, and are often viewed as 'pre-career' and on the path to other career options. This by no means reflects on the quality of the training received or the quality of the work experience of casual employees. As promotion from within the business is a key characteristic of the industry – with many casuals pursuing a career within the industry – opportunities exist for businesses to do a better job of harnessing their current casual workforce. Skill and workforce development strategies are among the most influential retention tools to workers in the community pharmacy industry.

DEVELOPING SKILLS IS THE BEST RETENTION TOOL...

Critically, strategies need to be congruent with the business case. Skill development needs to accommodate the different training needs of different industries.

...AS WELL AS PROVIDING A CLEAR PATHWAY

Industry's engagement with the Skills Council indicates that a helpful way of retaining skills in the workplace is by showing employees potential career pathways. In this way, employees have a vision of their potential future, employers have a way of supporting discussions on retention and industry more broadly are able to have a strategy to attract and retain skills.

SMALL AND MEDIUM ENTERPRISES


SSA believes that a key role of government should be to provide advice and support to SMEs to support the development of skills and systems to improve productivity.

Leaders and managers of SMEs fulfil a wide range of roles and so require a variety of skills. The global financial crisis (GFC) highlighted the need for managers to have a greater knowledge and understanding of financial matters, technology, business planning and human resource management. SSA's 2010 Environmental Scan for Community Pharmacy reported industry feedback that strongly supported the need for managers to have a better understanding of the global economy and how it relates to their businesses, and to have financial management skills to understand business processes that maintain profitability¹¹; this remains the case in 2011.

The importance of having succession plans in place was raised by industry. Effective succession planning reduces the time and expense faced by employers when having to continually recruit and increases staff motivation through training opportunities and advancement within the business.

Leadership and management skills benefit far more than the business bottom line. Human resource management skills are critical to managing workforces with diverse needs and improving their productivity and morale, which in turn can improve individual and social wellbeing and so contribute to socioeconomic mobility and economic growth. To be effective, training for managers in broad areas of finance and human resources in the community pharmacy industry requires a long-term approach. Convincing employers that training at Certificate IV and Diploma levels is necessary for relevant existing workers may be a way of starting the process. While this may be relatively easy for large businesses, it will be more difficult for smaller businesses where the employer is also the manager.

Industry consultation revealed a perception that many people who buy into small business are motivated by a belief in their business experience and are not aware of the limitations of that experience. The consequences of poor management are dire for others in the supply chain, such as wholesalers who are left with large debts when businesses fail.



**“HUMAN RESOURCE
MANAGEMENT
SKILLS ARE CRITICAL
TO MANAGING
WORKFORCES WITH
DIVERSE NEEDS
AND IMPROVING
THEIR PRODUCTIVITY
AND MORALE...”**

REGIONAL ASPECTS

While broad conclusions may be made about certain sections of the service industries, it is crucial to the nation's workforce development not to homogenise workforce development responses.

Not unexpectedly, not every national trend is reflected at state level. Even within a state, there are regional variations based on the health of the industries, demographic trends (employment, growth, ageing, migration, etc.) and local economic drivers.

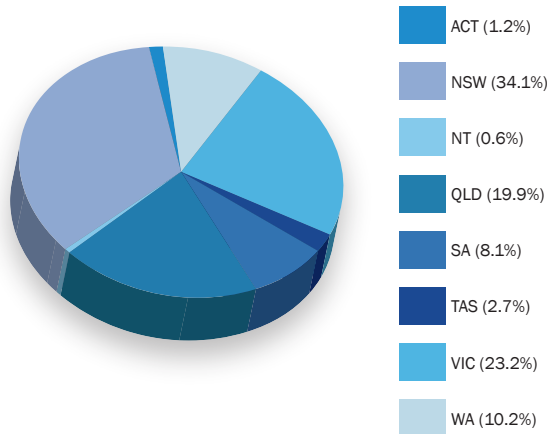


FIGURE 1 STATE DISTRIBUTION OF COMMUNITY PHARMACIES IN AUSTRALIA¹²

As can be seen in Figure 1, the geographic distribution of the Australian Pharmacies industry reflects the nation's economic, social and demographic breakdown; in June 2009, the three eastern seaboard states accounted for 77% of total approved pharmacy and friendly society numbers. This same proportion is thought to hold today.

As at the same point in time, roughly 83% of pharmacies were located within urban areas. While the number of pharmacies in rural areas within some states has increased in recent years, relatively stronger growth has occurred within the urban areas particularly with the roll out of new franchised pharmacies. In all states the average number of people per urban pharmacy is far less than the number of people per rural pharmacy¹³.

MACRO-ENVIRONMENT FACTORS

CHANGE IS A CONSTANT WITHIN THE COMMUNITY PHARMACY SECTOR. THE DIFFERENCE BETWEEN THOSE BUSINESSES THAT FORESEE AND ADAPT TO CHANGE AND THOSE THAT DON'T, IS SURVIVAL. The intent of this section of the report is not to review the data already available on the number of businesses that open and close each year, but rather to paint a picture of the diversity, growth and future of the industry.

Future domestic, social, and economic changes will have multiple effects on the community pharmacy industry. Leadership and entrepreneurial skills are particularly important for handling changes in Australian society. For example, growth in the cultural diversity of employees and a reduction of the proportion of younger people will be significant trends. Hence managers and supervisors will need to improve recruitment strategies, increase staff retention rates, and more effectively motivate staff to increase growth and productivity.

Growing population

Australia's estimated resident population of 22.3 million in June 2010¹⁴ is projected to increase to between 30.9–42.5 million by 2056, and to between 33.7–62.2 million by 2101¹⁵.

This population growth will lead to an increased demand for workers in the service industries; staff efficiency and productivity gains will be required in some sectors to service the growing number of customers. Industry consultation has shown that a growing population is seen as potentially being good for business, with an increase in sales. Pharmacies will become busier as the demand for doctors grows.

Industry feedback to SSA stated that community pharmacy has the capacity to extend its services in direct proportion to the demands of population growth. However, some concern was raised about the increased competition a growing local population would present and the impacts upon the wellbeing of the wider society.

A key skill requirement for the industry is the ability to provide health care solutions, balancing consumer advice and expert pharmacist support and guidance. It is essential that training addresses changing health needs, and that different groups are provided with adequate and respectful duty of care.

Ageing population

The ageing of the population, increases in life expectancy and new roles in disease management and preventative health being taken up by community pharmacists are increasing the demand for services provided by community pharmacies. This has the potential to increase employment of pharmacy assistants¹⁶.

Population ageing is occurring globally, with a substantial shift in the age structure towards older ages. The median age of Australia's population (36.8 years at June 2009)¹⁷ is projected to increase to between 38.7–40.7 years in 2026 and to between 41.9–45.2 years in 2056¹⁸.

Australia's population aged 15–64 years, which encompasses much of the working-age population, is projected to decline from 67% in 2004, to between 57–59% in 2051¹⁹. As labour force growth is forecast to be slower than population growth, participation rate decreases.

The implications of these trends for the community pharmacy industry are numerous. The ageing population will require more pharmacists and staff to be trained in home health, incontinence, wound care, sleep apnoea, disease management and diabetes. With a growing number of older people at home, pharmacy workers will also need to be able to assist customers with home medication reviews, home health equipment and first aid. Stock changes will be required more frequently. There is also an increasing demand for dose administration aids for older people. These can be supplied to customers to assist them in maintaining their independence or to nursing and residential care facilities and are supported by the introduction of compliance programs. Industry feedback has indicated that many pharmacies are addressing this demand, with some employing staff to pack and dispense these medicines.

As with other industries, the workforce in pharmacy is ageing. Challenges this presents include the training older workers will need to keep their IT skills current, and businesses needing to ensure robust workplace health and safety policies are in place, especially where the manual handling of heavy objects is required. The issue of an ageing workforce does however present an opportunity for older workers to act as mentors for younger employees and pass on their skills and knowledge.

Business trends

Pharmacists represent a very popular source of medical information, second only to doctors. A recent study reported that 85% of Australians sought information about medicines or the treatment of a minor illness from a doctor in the previous year, while the corresponding figure for pharmacists is 62%. According to industry feedback, as many as 10 million Australians turned to their local pharmacist for information about medicines or the treatment of a minor illness in the previous year. Other popular sources of information are family members or friends (46%), the internet (33%) and medical books (16%)²⁰.

Industry feedback notes a change in consumer behaviour; with customers increasingly demanding more detailed product information and treatment management plans. It was also noted that the Quality Care Pharmacy Program²¹ has continued to reinforce the development of high quality specialist services within the sector and continues to be well-received by customers.

With regards to consumer trends, industry feedback suggested there is a subset of digital consumers who undertake research online but are reluctant to purchase through that medium and prefer to present pharmacy staff with their research and discuss the product. Industry consultation also noted a growth in consumer support for the 'big box'²² retail strategy, driven by a perception of a need for more choice.

Community pharmacies have reported attempts to increase the variety of the products they retail. Whilst retaining a focus on the professional areas of the pharmacy, some who operate day and night pharmacies have attempted to provide the services time-poor customers are requesting, such as gift lines, cold drinks, greetings cards etc. These demands on community pharmacy to provide a diversity of services will impact upon workforce planning as staff will be required to be multi-functional.

Industry representatives were also asked to comment on recent reports that suggest a decline in the quality of customer service in Australia²³. A range of responses were received, with some noticing an improvement in the quality of customer service levels, especially in pharmacies pursuing QCPP accreditation, whilst others identified a decline. This decline was attributed to factors such as the increasingly busy environment within pharmacies, the impact of new working hours legislation, and the increased expectations of customers.

Technology

Changes in technology impact upon the community pharmacy industry. They generate ongoing training and skill development for employees and facilitate what is recognised as a major industry trend: the growth in online health services, including prescription services.

This will lead to expenditure shifts, with savings to be made on items such as use of space for retail outlets. There may be a reduction in staffing, but good web-based customer service is viewed as critical in terms of responsiveness and handling customer queries and complaints.

The introduction of e-prescriptions will also lead to changes in the way in which pharmacists receive prescriptions. This will impact upon the role of both the pharmacy assistant and dispensary assistant.

The ability to use changing technologies and software applications has been identified as a huge advantage, as it allows businesses to advertise to a wider audience relatively cheaply. Instant messaging and the ability to display photographs of new products also assist online sales. The online availability of product images also increases accountability for delivering products.

Industry consultation has also revealed that some community pharmacies are revisiting their use of new technology and looking to introduce tools such as iPads as visual aids in retail areas as well as counselling tools for customers. It was also noted that some technology substitutes face-to-face interactions with customers and improves labour efficiency. Robotic dispensing machines are an example of this.

E-learning is seen by the industry as an opportunity to respond to increasing changes in products and regulation, and there is ongoing interest in this form of learning. However, while e-learning was identified as advantageous for people capable of self-directed learning, there is a belief that face-to-face learning for practical components is still of benefit.

IDENTIFIED WORKFORCE DEVELOPMENT NEEDS

People – customers and employees – are critical to community pharmacy. The sector firmly believes that building a highly skilled workforce will deliver a productive economy. Continuous lifelong learning is crucial for ongoing improvements in productivity and participation.

Entry point to the sector is at Certificate II, with ‘trade level’ qualifications (which include skills in supervising and coaching staff) sitting at Certificate III. Australian Qualifications Framework (AQF) level 2 and 3 qualifications represent the bulk of the community pharmacy workforce, with the remainder made up to a significantly lesser extent of the higher AQF levels.

To provide a more detailed view of the training needs for the service industries, in 2010, SSA engaged Monash University’s Centre for the Economics of Education and Training (CEET) to undertake a research project to forecast the labour and skills needs for the service industries for the next five years. The report provides baseline information on the minimum skill requirements to achieve a specific qualification profile for the service industries’ workforce in 2015.

The report forecasts that employment in the service industries will grow relatively more slowly than other industries. In 2015, the service industries are forecast to employ 1.94 million people – an increase of 3.1 per cent from 2009²⁴. Factors impacting growth include the effects of stimulus wearing off; the high value of the Australian dollar and weakness of the global economy; government spending tightening and the draw of labour to the mining sector.

Of interest to the Wholesale, Retail and Personal Services sector is that overall employment in the sector is forecast to rise by 15,000 by 2015. Furthermore, 73,000 more people will hold qualifications than they did in 2009 and over the same period the number of people without any qualifications is forecast to drop by 58,000. The proportion of people with qualifications will increase from 39% in 2008 to 45% in 2015.

The report estimates that by 2015 the qualification requirements for the WRAPS sector will be 231,000, or 38,000 per year. Around one in every five qualifications will be at degree or higher level and the rest will be at the VET level (62,000 Advanced Diploma / Diploma, 97,000 Certificate III/IV, and 23,000 Certificate I/II).

Quality delivery – industry’s contribution

Industry representatives are keen to become more involved in implementation to support the national training system and build the nation’s productivity.

In response to ongoing industry concern, SSA has already made improvements to the quality of its training packages. This has resulted in more specific units of competency, tighter assessment guidelines and more detailed requirements for assessors. Future changes will also result in more helpful, detailed resource checklists available as part of the non-endorsed training package support material.

Further, SSA has implemented two innovations to provide more input into provider recognition processes, which have been very well received.

In the development of the most recent training packages, SSA has produced a User Guide which specifies:

- minimum assessment and learning requirements to achieve qualifications
- required assessor/trainer qualifications and experiences above and beyond those required by regulation
- professional development requirements for trainers and assessors
- requirements around work placement and/or experience
- guidelines for selecting and recruiting students
- minimum equipment and facility requirements for delivery
- minimum recommended duration for delivery of units and/or qualifications.

SSA recommends that auditing and quality processes be made more effective through a more active industry role, including the use of industry advisers.

The service industries are ready, willing and able to be more supportive of the national training system. SSA's commitment to ensuring that the skilling system is able to support productivity growth has been reiterated in a range of projects, collectively known as the Right Way.

Effective outcomes of training and assessment are inextricably linked to the quality of these core components of the VET system. Through the Right Way, SSA provides industry recognition of facilities, trainers, assessors and learning resources. Participants in this industry recognition system must adhere to standards and provide evidence of quality through an application and assessment process operated by SSA and its network of agencies. Through this program, SSA aims to:

- Ensure and recognise the provision of quality training and assessment by registered training organisations (RTOs)
- Build the capability of trainers and assessors who work in the service industries
- Promote the development of, and recognise, effective learning resources which align to training package content
- Achieve quality skills outcomes throughout the service industries²⁵

Completion rates

Completion rates as an exclusive measure of effectiveness continue to be a critical concern to the service industries. Industry overall, and the service industries in particular, believe that they have been unnecessarily disadvantaged by use of completion rates as a measure of success of industry training. This situation remains a concern as there is a strong need for the development of nationally-consistent data collection tools that more accurately measure and evaluate course completion and non-completion rates.

In response to these concerns, SSA has commissioned JMA Analytics to undertake a research project to determine if the current assumptions about the reasons for non-completions are correct and to mount a case for a more consistent and accurate national measurement system. The project considers what non-completion data is currently being collected in VET, what non-completion data isn't being collected that should be, and aims to find out what is the preferred structure, frequency and collection methodology for data on non-completions. A broad range of reasons why students do not complete programs is being collected including, relationship with employer, personal barriers, quality of provider and interest in the job role.

Early findings from this research project indicate that the two primary categories of issues in relation to the current data collection tool for completion rates (The Australian Vocational Education and Training Management Information Statistical Standard, or AVETMISS) are:

1. the potential for significant inaccuracies in the statistics reported (e.g. no universal student identifier), and
2. the need for some alternative future approaches that do not automatically interpret qualification non-completion as a negative outcome (e.g. some students may never intend to complete a program, rather only certain aspects).

Importantly, this project does not set out to argue that completion rates *shouldn't* be measured, nor is it arguing that low completion rates are okay, nor is it trying to avoid the issue of improving quality delivery. What it is trying to do is argue for a better understanding of the issue and a better way of measuring the effectiveness of the system. Qualifications are an important outcome for education systems and our investigation into this issue is driven by an appreciation that 'life is not linear' and that contemporary measurement systems should accommodate this reality.

The complete findings of this research project, *Evaluation Frameworks for VET*, are due to be published in March 2011.

SUGGESTED APPROACHES TO WORKFORCE DEVELOPMENT

Recognition of prior learning


During 2009, SSA worked with industry to develop a new model for the recognition of prior learning (RPL), as feedback had indicated that employees in the service industries found the existing RPL processes and procedures too demanding, requiring a considerable investment in time and effort in an industry where time is crucial.

These concerns were confirmed through the results of a survey of registered training organisations about the ease of access to RPL which identified the critical barriers being: Lack of understanding / resources of assessors; inequitable funding mechanisms and Australian Qualification Framework requirements / inconsistencies with audit practices.

SSA therefore proposes a skill recognition approach that is specifically tailored to respond to the needs of industry. A process is required that (from the candidate and employer's perspective) is simple, quick and appropriate whilst still retaining the necessary rigour to enable a qualification to be awarded with confidence. The shortened timeframes in this process also make it cost effective.

'Discuss, Display, Do' is a project that aims to develop and pilot an RPL model suitable to the needs workers in the service industries. The project intends to investigate and identify how the national training system can respond to meet the needs of the service industries. In doing so the project addresses the following Australian Government Priorities:

- A new national approach to Apprenticeships, Training and Skills Recognition
- Supporting the development of the National Volunteer Strategy
- The National Reform Agenda
- The Social Inclusion Agenda



**“SSA PROPOSES A
SKILL RECOGNITION
APPROACH THAT
IS SPECIFICALLY
TAILORED TO
RESPOND TO THE
NEEDS OF INDUSTRY.”**

VET in schools

Industry feedback to SSA indicated problems around the delivery of Vocational Education and Training in Schools (VETiS).

Feedback suggested that typical delivery of VETiS does not achieve required industry outcomes and, often in school environments, VET training requirements are in competition with a fundamentally different pedagogical approach. Furthermore, inconsistency of VETiS practice and delivery across the states and territories makes delivery difficult for those providers and employers who employ across state borders.

VETiS is seen as critical area for action due to the involvement of a significant number of Australian students and the recent rapid growth of VETiS programs. While there has been huge growth in the participation numbers, there is increasing concern about the quality of VETiS delivery and particularly, lack of employment outcomes.

Demographics, economic growth, competitiveness and increased skill requirements are creating even greater demand for skilled youth in Australia. Today's younger generations have more opportunities and therefore have become 'cherry pickers', which has consequences for the service industries as they are often seen as a short term, second-rate career choice.

Working with industry, SSA worked to address these issues through its VETiS project in 2010, which included the development of an industry position paper and 'rules of engagement' for the service industries. Further it aimed to develop 'resource ready' tools to assist VETiS delivery, as well as case studies that reflect what is occurring in industry.

A literature search and review highlighted the variety of interpretations of the term VETiS; each state or territory system locates VET in a different curricular context. The major concern is the inconsistency between VETiS, both within a jurisdiction as well as across Australia. Currently there are no common standards around approval, regulation, resourcing, administration, delivery and monitoring of VETiS.

Consultations occurred across the country over a period of four months to gather critical information on industry position and best practice example of VETiS.

The industry consultation process found:

- Key stakeholders in VETiS have such fundamental differences in what they consider is the purpose and expected outcomes that some wish to walk away or ignore this nationally critical skilling opportunity.
- Quality issues (not just limited to VETiS) were a key component of consultations. There is massive variability (excellent to indefensible) in VETiS modules across Australia.
- Many stakeholders expressed a desire for clear and explicit guidelines.
- The diversity across the services industries requires different VETiS pathways, industry engagement, links to regulation, award conditions considerations and workplace engagement, such that VETiS must be considered on an individual industry sector (training package) basis.
- There was a consistent strong industry message about VETiS focused on job skills.

Given the imperatives and importance of VETiS, the services industries need to take a strategic, pragmatic and holistic approach to VETiS in order to maintain their share of youth employees recruited via VETiS pathways and ensure they can meet future workforce needs²⁶.

CURRENT IMPACT OF TRAINING PACKAGES

As mentioned previously, business success largely depends on the quality of the customer service that employees provide and their specialist knowledge. Hence the quality of entry-level qualifications is of great importance. In order to progress in working life, employees need a good skill base and a high-quality and current vocational education. The requirement of high levels of product knowledge needs to be complemented with maturity, professionalism and risk management associated with preliminary health care advice.

As the role of community pharmacies evolves and expands, the growing and ageing Australian population will place a demand on pharmacy staff to improve and maintain their knowledge of new products and health-related services.

The Quality Care Pharmacy Program (QCPP) is an ongoing quality control program that pharmacies must comply with to retain their 'Quality Care' accreditation, with an accreditation cycle of two years as of July 2008²⁷. The QCPP was developed by the Pharmacy Guild of Australia in 1997, in consultation with the Pharmaceutical Society of Australia and other industry stakeholders. Any pharmacy within Australia (guild or non-guild members) can register with the program²⁸. To be a QCPP-accredited pharmacy, all pharmacy staff members selling 'Pharmacy' and 'Pharmacist Only' medicines must complete nationally recognised accredited training. The National Council of the Pharmacy Guild of Australia recommended that this training forms a critical component of the Certificates II, III and IV in Community Pharmacy. There is also a requirement for ongoing or refresher training in subsequent years after the initial award; currently this requirement is three hours of training a year.

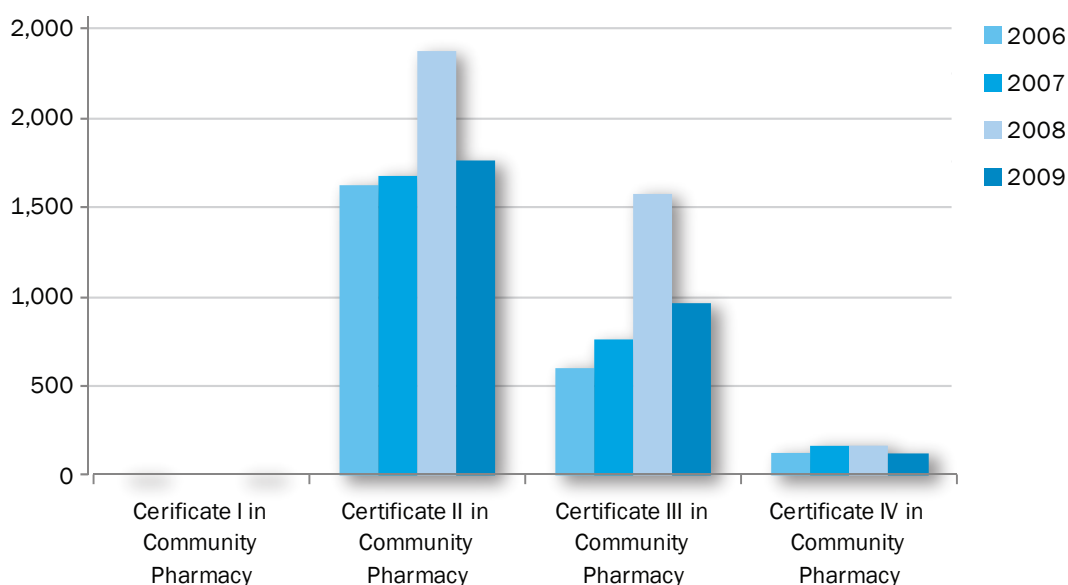


FIGURE 2 VOCATIONAL COURSE ENROLMENTS BY COMMUNITY PHARMACY QUALIFICATION (2006-2009)

As may be seen in Figure 2 above, the majority of course enrolments in community pharmacy training with public providers between 2006 and 2009 were in the Certificate II in Community Pharmacy. This reflects industry needs, as the majority of the workforce is at this level. Certificate II in Community Pharmacy provides the skills and knowledge for an individual to be competent to work at entry level in a community pharmacy. Typical functions include serving and interacting with customers, merchandising products and controlling stock, understanding the product range and the roles and responsibilities of pharmacy assistants and pharmacists, and communicating with customers to identify needs and provide appropriate product advice and/or referral²⁹.

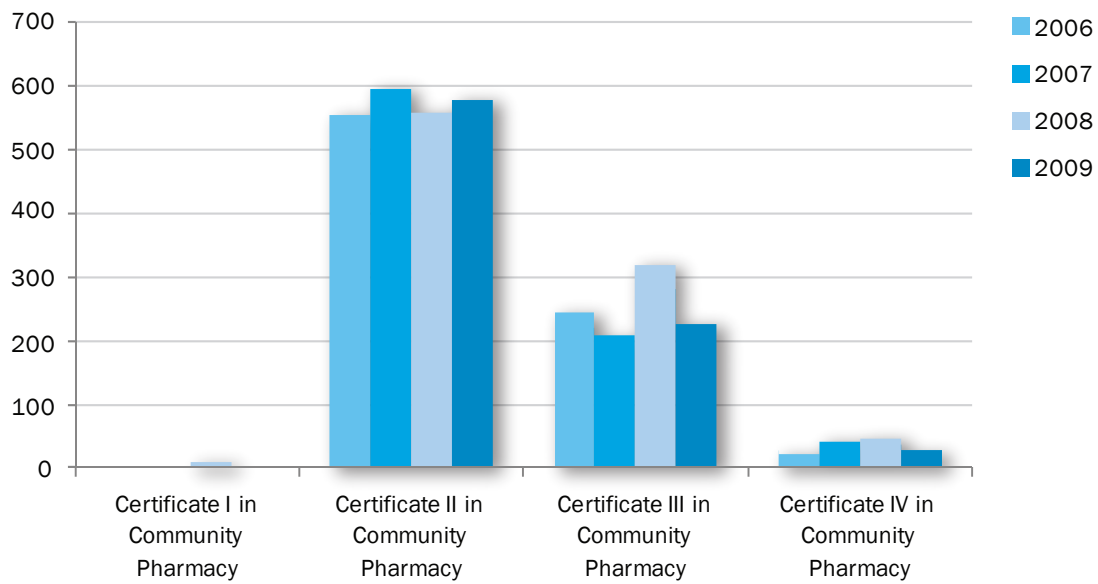


FIGURE 3 VOCATIONAL COURSE COMPLETIONS BY COMMUNITY PHARMACY QUALIFICATION (2006–2009)

It is worth noting that in addition to the above figures based on government-funded training, there are also private training organisations delivering training.

FUTURE DIRECTIONS FOR ENDORSED COMPONENTS OF TRAINING PACKAGES

Continuous improvement of the community pharmacy qualifications commenced in 2010, alongside the continuous improvement of SIR07 Retail Training Package.

SSA scoped the changing landscape in the community pharmacy industry, as well as improvements to be made to the community pharmacy qualifications and standards. This scope was facilitated initially by a discussion paper and a workshop with industry. The feedback was collated to inform a recommendations paper and identified the need to develop new competency standards to address the expanding role of both a pharmacy and dispensary assistant in keeping with both the new Fifth Pharmacy Agreement and also the Federal Governments Preventative Health Strategy.

The scoping feedback also identified the critical importance for pharmacy assistants to enhance their understanding of boundaries when communicating with customers and knowing when to defer to the expertise of the pharmacist. Equally important is training in communication skills, given the vital importance of clear communication between the pharmacist and staff.

Leadership and management skills, in terms of staff management of the retail aspect of a pharmacy and liaison with the pharmacist, have been identified as areas where there are currently skills and labour shortages. A complex set of skills is required in staff management to ensure quality customer service. The need to maintain awareness of product knowledge with each new pharmaceutical line or specific health complaint is also critical. Training in skills and knowledge of vitamins, wound care and pain management is also required, and needs to be continually updated.

A further technical group was pulled together to inform the unpacking of these recommendations and inform the technical development of the new competency standards and repackaging of the qualifications. The drafts were open to stakeholder feedback from December 2010 until mid-February 2011.

Appendix A provides information on occupations and qualifications in demand in the community pharmacy industry.

APPENDIX A – COMMUNITY PHARMACY OCCUPATIONS AND QUALIFICATIONS IN DEMAND

ANZSCO Code	Occupation	Training Package Qualification	Justification / Evidence
621411	Pharmacy sales assistant	Certificate II in Community Pharmacy Certificate III in Community Pharmacy Certificate IV in Community Pharmacy	<p>With the population of Australia both ageing and growing, staff efficiency and productivity gains in pharmacies will be required to service the growing number of customers.</p> <p>Community pharmacy plays a significant role as a primary health provider, with industry feedback reporting a growing number of people choosing to consult with a pharmacist initially, rather than making an appointment with a doctor.</p>

ENDNOTES

- 1 Service Skills Australia, Environmental Scan 2010
- 2 IBISWorld, Pharmacies in Australia, November 2010
- 3 IBISWorld, Pharmacies in Australia, November 2010
- 4 Pharmacy Guild of Australia Digest 2008
- 5 Pharmacy News, August 2009, NAB Health's 'Changing face of the healthcare industry' report
- 6 IBISWorld, Pharmacies in Australia, November 2010
- 7 The Pharmacy Guild of Australia, Fact sheet: Australia's unique system of community pharmacy, March 2009.
- 8 In September 2009, the Australian Federal Government (Department of Health and Ageing) released its Preventative Health Strategy that focuses on obesity, diabetes, mental health, tobacco and excessive consumption of alcohol. The strategy has seven key strategic directions and sets a number of ambitious targets, including halting and reversing the rise in the number of people that are overweight or obese, as well engaging communities to inform, enable and support people to make healthy choices.
- 9 'Forecasts of labour and skills requirements in the service industries, 2010-15', prepared for Service Skills Australia by the Centre for the Economics of Education and Training.
- 10 <http://www.health.gov.au/internet/main/publishing.nsf/Content/fifth-community-pharmacy-agreement>
- 11 Service Skills Australia, Community Pharmacy Environmental Scan 2010
- 12 IBISWorld, Pharmacies in Australia, November 2010
- 13 IBISWorld, Pharmacies in Australia, November 2010
- 14 ABS 3101.0 Australian Demographic Statistics, Mar 2010
- 15 ABS 3222.0 Population Projections, Australia, 2006 to 2101
- 16 'Forecasts of labour and skills requirements in the service industries, 2010-15', prepared for Service Skills Australia by the Centre for the Economics of Education and Training.
- 17 ABS 3235.0 Population by Age and Sex, Regions of Australia, 2009
- 18 ABS 3222.0 Population Projections Australia, 2006 to 2101
- 19 ABS 3222.0 Population Projections, Australia, 2006 to 2101
- 20 The Pharmacy Guild of Australia, Media Release, December 9 2009 "Community pharmacy: serving a need"
- 21 The Quality Care Pharmacy Program (QCPP) is a quality assurance program aimed at raising the standards of service that pharmacies provide to the public. The program is based on business and professional standards developed by the Pharmacy Guild and other industry stakeholders. For more information, please refer to <http://www.guild.org.au/qcpp/>
- 22 'Big Box' retail businesses typically operate in large, free-standing, structures, several times larger than traditional retail spaces. Examples of 'big box' retailers would be Bunnings Warehouse and Ikea.
- 23 American Express Global Customer Service Barometer 2010, which surveyed 12 countries and ranked Australia equal last on measures of customer satisfaction. Also reported in The Australian Centre for Retail Studies' 'Retail Insights', Edition 138, October 2010.
- 24 Note that this estimate differs from SSA's measure which reports current employment in the service industries to be about 2.4 million. The discrepancy is due to the broader scope assumed by the scan. Unlike CEET's forecast, which uses occupations to define the scope, the Environmental Scan uses industries to define the scope. This results in professional occupations such as accountants, pharmacists, information technology specialists etc falling within the scope.
- 25 For further information on the Right Way, please refer to <http://www.serviceskills.com.au/rightway>
- 26 Service Industries VET in Schools project progress report, October 2010, prepared for Service Skills Australia by Service Skills South Australia
- 27 Approx 94% of pharmacies in Australia are accredited under the first edition of QCPP
- 28 <http://www.guild.org.au/qcpp/content.asp?id=123>
- 29 NCVET Vocational course enrolment and completions 2006-2009; information collected by NCVET encompasses TAFE institutes, some universities, secondary schools offering VET, industry organisations, Adult Migrant Education Scheme providers, private enterprises in receipt of government funding for training, agricultural colleges, community education providers and other government providers, but no private training organisations which do not receive government funding; NCVET Australian vocational education and training statistics: SSA is aware that data from public providers only describes part of the picture and is not a robust reflection of all training engagement however, currently, data from private providers is not publicly available. Please note that this data was downloaded in July 2010 and may be amended over time.



published by Service Skills Australia
2011