

Implementing change in SMEs in the New Zealand Construction VET sector

Effective communication and engagement with Small and Medium Enterprises (SMEs) in the New Zealand construction sector is an important component for implementing change and driving innovation in vocational education and in the sector as a whole. This guide outlines key strategies for organisations supporting SMEs in adopting new practices, improving skills, and contributing to the sector's growth.

At ConCOVE, our projects include the need to identify the specific vocational education needs of SMEs, including skills gaps, emerging technologies, and changing work practices that require new training approaches. We need to understand how SMEs currently engage with vocational education and what barriers they face in accessing or implementing training.

Membership of ConCOVE Tūhura's advisory groups includes people who own or work in SMEs. Where possible, we ask researchers to include representatives from small businesses in interviews and focus groups. These guidelines inform all of our projects.

Guidelines

1. Understand the industry and SMEs place in the sector.

Take the time to talk to people in the sector and people leading and working in SMEs so that you have a good understanding of the challenges they face.

Invest time in researching* and understanding the specific context of the construction sector, including common pain points, growth opportunities, and regulatory requirements. Use this knowledge to create targeted, sector-specific messaging and support.

*Research is not just about literature review and environmental scans. It's also about talking to people and ensuring that you have mechanisms to continue to hear their voices.

2. Work with others across the system to build credibility and reach while also ensuring that you limit the number of organisations that SMEs need to engage with.

SME owner-operators are more likely to take on board information if it comes from a source the SME finds trustworthy and credible.

People in SMEs already engage with a wide range of organisations – don't be yet another set of emails in their inbox or newsletter to read.

a. Partner with trusted industry networks, associations, and champions in the industry to gain access to a broader audience of SMEs.

Collaborate on events, content, and initiatives that add value and address sector-specific needs and establish your organization as a credible, valuable resource.

b. Collaborate with tier 1 firms to drive change throughout the supply chain

Engage with large construction firms and industry leaders to promote the adoption of best practices, new technologies, and improved standards throughout the supply chain. Encourage large firms to support and mentor SMEs, driving sector-wide change and creating opportunities for smaller businesses.

c. Collaborate with trusted community leaders, networks, and intermediaries

Leveraging contacts with 'warm' individuals and organisations to provide introductions and support may help provide access to otherwise unreceptive firms, particularly Māori, Pasifika, and migrant-owned SMEs. Partnering with local business associations, marae, or community organizations can help bridge cultural gaps.

However, it is first crucial to ensure that your organisation has a deep understanding of the cultural values, traditions, and business practices of the communities you wish to reach. This may involve training, hiring staff from these communities, and actively seeking to understand and respect cultural protocols.

Ensure that the support, resources, and communication provided to Māori, Pasifika, and migrant-owned SMEs are culturally relevant and aligned with their values and priorities. This may involve tailoring content, formats, and delivery channels to better resonate with these communities.

Remember that often designing for the most disenfranchised can result in better outcomes for everyone - in this case, gender and ethnicity highlight some of the problems faced by the whole sector.

d. Collaborate with local and national government partners thoughtfully

Collaboration with government can pose challenges around misaligned incentives, conflicting perceptions, and bureaucratic constraints that can hinder effective engagement. When collaboration with government, be mindful of these challenges and adapt your approach accordingly to build trust and credibility in the sector.

Ensuring that collaboration is either apolitical or across the political spectrum.

3. Advocate for policies and regulations that support SME growth and development

Work with policymakers and industry bodies to advocate for policies, regulations, and support programs that foster a conducive environment for SME growth, development, and engagement with vocational education within the construction sector. Ensure that the unique needs and challenges of SMEs are considered in decision-making processes about delivery of, access to and engagement with vocational education and training. Highlight how supportive policies can

enhance SMEs' ability to innovate and adapt through continuous learning and skills development.

4. Your communication strategy should include multiple channels that accommodate diverse preferences

SMEs frequently rely on oral and informal communication approaches. This suggests that written reports can be an ineffective method for information transfer.

Develop a communication plan that incorporates a mix of channels, including face-to-face interactions, social media, online resources, and industry-specific channels and publications. Ensure that your messaging is consistent across channels while allowing for customization based on individual SME preferences. Be cognizant of the advice in point 2 to avoid overwhelming SMEs with content.

5. Offer resources and support based on business life stage and size

SMEs have different needs depending on their life stage and size. Develop targeted vocational education resources and programs that address the unique challenges of SMEs at different stages.

6. Demonstrate that you value SMEs in other parts of your work

Include SMEs in your consultation and research, not just through communicating the end product with them.

Identify and promote success stories of SMEs within the sector who have effectively adopted new practices, overcome challenges, or achieved significant growth. Use these case studies to inspire and motivate other SMEs while demonstrating the tangible benefits of engaging with your organisation.

Highlight how SMEs contribute to innovation in vocational education by sharing their real-world experiences and needs. Showcase SMEs that have successfully integrated vocational education into their business models and how this has driven their growth and innovation.