

**Senate Standing Committee on Education Employment and Workplace
Relations**

**QUESTIONS ON NOTICE
Budget Estimates 2011-2012**

Agency – Fair Work aBuilding & Construction

DEEWR Question No. EW0203_13

Senator Abetz asked at EEWB page 82

Question

ABCC – Research

Senator ABETZ: With all these things, it was the very last line that disappointed: The ABCC has not published the findings of the research.

Can you explain to us why not? One would assume that, if it was all glowing and put you in a very good light, chances are you may have taken the decision to publish.

Mr Johns: I do not know that that is necessarily the case. It is being used as base-level research. It establishes the base level. Then there will be tracking research to see whether or not there are differences in movements both qualitatively and quantitatively over time. I am happy to make the research available to you if you like. There is no particular reason other than the fact that I do not think it necessarily needs to be in the public domain. We are using it internally to track our work.

Senator ABETZ: If you are willing to make it publicly available and present it to the committee, I would be much obliged. With base-level and then ongoing research, if there were one person who said the ABCC was doing a good job and next time you had two people saying it, you could come out with a press release saying there was a 100 per cent increase in the satisfaction rate. That is why allowing the public access to your base research allows for a proper discussion to take place.

Mr Johns: I accept that.

Answer

Fair Work Building & Construction has provided the following response.

A copy of the research findings is included at **ATTACHMENT A**.

ATTACHMENT A



Stakeholder Consultation
Qualitative Evaluation

Prepared for



**Research, Strategy &
Implementation**

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1. Background

The Australian Building and Construction Commissioner (ABCC) is a statutory body established to ensure that building work is carried out fairly, efficiently and productively for the benefit of all building industry participants and for the benefit of the Australian economy as a whole.

newfocus understands ABCC has traditionally played a 'policing' role, investigating and intervening with contraventions of the law, National Code of Practice and federal agreements and laws. ABCC is seeking a future direction with a focus on education of rights and responsibilities of industry participants under workplace laws in line with an industry move towards self-regulation.

It is understood that ABCC currently interacts with a number of internal and external stakeholder groups including:

- building companies – head contractors
- subcontractors
- building workers
- unions
- industry associations
- investigators

We understand that the specific priorities for the future are:

- reputation and market position: improve the reputation of ABCC as the construction industry regulator and organisational access (for investigative purposes)
- stakeholder engagement: establish a positive relationship with internal and external stakeholders, and specifically greater access to lower level industry stakeholders

ABCC's organisational objectives include:

Short – medium term:

- enhanced reputation as a fair and impartial regulator
- broadening of the ABCC role to provide support activities for the industry
- increased understanding of ABCC among all key stakeholders
- improved relationship with stakeholders resistant to ABCC

Long term:

- behaviour change from industry participants
- established respect for workplace relation laws
- productive and co-operative relationships on site
- adherence to proper procedures when issues occur

Research purpose

ABCC commissioned newfocus to undertake this stakeholder consultation in order to:

- establish a profile of stakeholders
- identify how best to connect with them
- assess awareness levels among key stakeholder segments
- understand stakeholders' perceptions of ABCC

The research instruments used to respond to these aims can be found in Appendix 1.

2. Methodology and Sample

2.1 Methodology

The research involved an exploratory stage conducting in-depth telephone interviews with internal and external stakeholders.

An unbranded approach was theoretically required to meet the objectives of the study for certain strategically important stakeholder segments (unions) in order to seek unbiased brand perceptions and ensure impartiality of data collection. It was understood that there would be anticipated non-inclusion of important stakeholder segments should brand be known. An unbranded approach is common practice in these types of B2B studies when limited population size is available to gain audience participation. Interviews with the union segment were positioned as a stakeholder engagement study within the building and construction industry to look at best practice models. Reporting on this segment uses a more general approach as newfocus must respect privacy of the participants given they may be easily identified via specific comments.

Recruitment was undertaken by the newfocus in-house team of executive recruiters working on site and supervised by the National Operations Manager. Recruiters are ISO accredited, and abide by the AMSRS Code of Professional Behaviour and National Market & Social Research Privacy Principles. The interview guides were designed by newfocus in collaboration with ABCC.

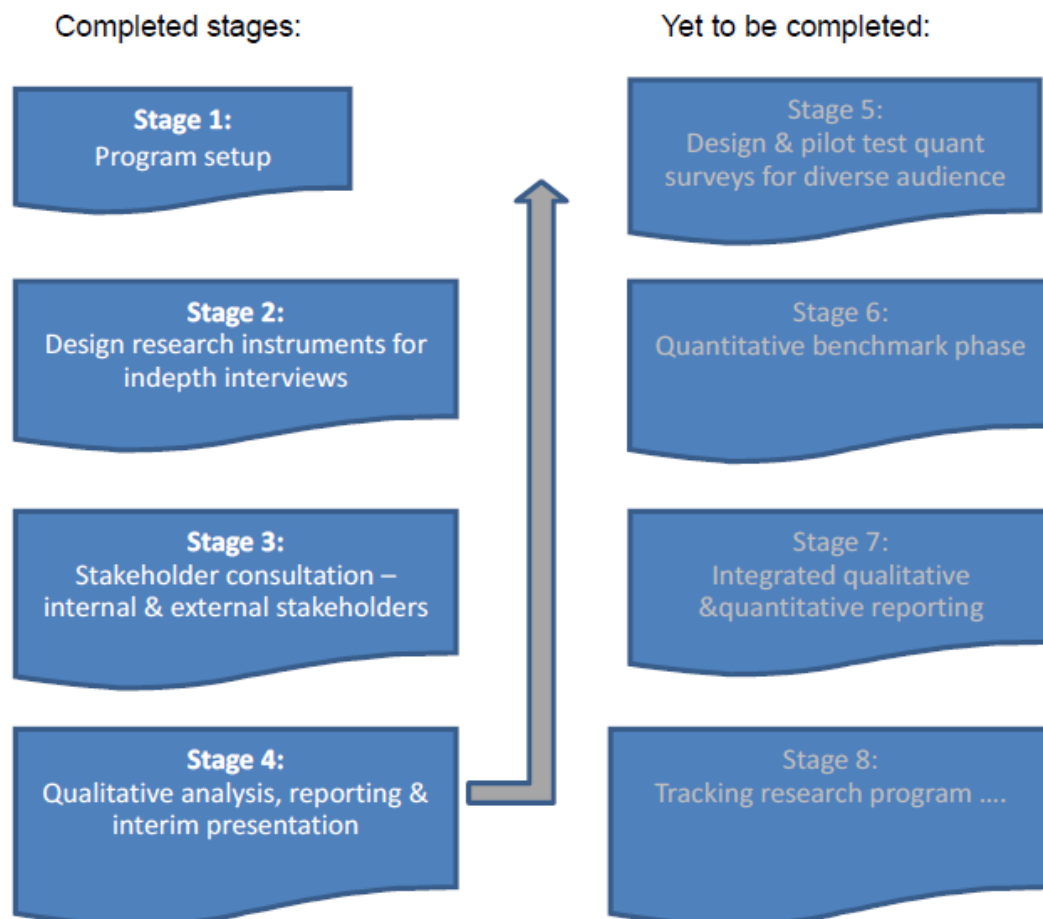
2.2 Sample

The total sample achieved for each data collection method is shown in the table below:

Segment	Methodology	Location	Researcher(s)	Sample size
Internal consultation (staff interviews) internal operational staff (legal representatives, corporate personnel and others)	In-depth interviews (15-30 minutes average duration)	ACT, VIC, WA, NSW, QLD	Rory Challen Cheryl Hayes	15
Unions (including CFMFU, ETU, AWA & ACTU)		NA (to protect identification)	Cheryl Hayes	7
Industry associations		NSW, QLD, VIC, WA, ACT	Rory Challen Cheryl Hayes	10
Building companies		VIC, NT, NSW, QLD, SA, WA	Rory Challen	12
Building workers	In-depth interviews and mini session	NSW, SA, VIC, QLD, WA	John Scott	10
Total				54

The research was carried out in compliance with International Standard AS ISO 20252.

3. Research approach



4. Summary of major findings

4.1 ABCC staff consultations

Section 4.1 outlines the results of the 15 ABCC staff (internal stakeholder) consultations conducted prior to the external stakeholder interviews.

Participant background

Participants included field officers as well as nominated internal operations staff including legal representatives and corporate personnel. As a result, frequency of interaction with various stakeholder segments varied considerably. Overall participants had lower interactions with unions and builder sub-contractors on site.

Overall perceptions

What ABCC does well

- proactive and timely for advice and attendance at workplaces, offering presentations/conferences
- investigate breaches of legislation well (core role and function)
- strong presence at workplaces
- service focused
- easy to contact eg accessible
- generally well resourced
- professional development & training for staff (main compliment for many!)
- National Code – education role
- *'new commissioner shows focus'*

What can be done better?

- criticism around how quickly investigations get to Court (litigation process seen to take around two years and slow to reach an outcome)
- more experienced field officers
 - training of field investigators is seen to be imperative, as currently, time can often be wasted collecting evidence/witness statements and pursuing cases that won't proceed to court. Workers can then end up disappointed and unlikely to ask for help from the ABCC again
- promoting ABCC in terms of role and how things are done
- more transparency needed in terms of how things are done
- poor engagement at the subcontractor level – generally low awareness
- seen to over-investigate
- given recent expansion of role and responsibilities, ABCC is seen to lack experience with wages and entitlements and this is therefore seen to be an area for improvement
- national code is seen to have lost some of its strength and therefore stakeholders see them as 'toothless tigers'
- seen to be *'getting soft'*
- good ABCC staff were known to leave the organisation as being an investigator was seen to be *'a boring job in a negative environment'*
- use the media more effectively by creating targeted media campaigns specific for the different stakeholder groups

Perceptions by stakeholder segments

Perceptions could be considered as hierarchical with positive perceptions at the top among lawyers, peak bodies and contractors. Positive perceptions are a result of a more sophisticated understanding of ABCC and their role as well as a track record of prosecuting those in breach of legislation. As we progress down the industry hierarchy, the knowledge of ABCC is much less, particularly at the worker level and as a result has led to negative perceptions.

The table below illustrates ABCC staff views of how they believe each external segment perceives the ABCC.

Perceptions by stakeholder segments				
Unions	Industry associations	Building workers	Building companies	Subcontractors
<ul style="list-style-type: none"> • ABCC seen to erode their power base/ responsibilities by legislation • the existence of ABCC not viewed as leading to the fair treatment of workers • <i>'ABCC seen to be the demons of society'</i> • most negative perceptions overall • hated by this segment 	<ul style="list-style-type: none"> • well known among employer associations • receptive to ABCC and willing to offer their services to employees (less so in Vic market) • healthy relations • willing to do what's best for their member base • unsure of ramifications of ABCC's expanded role into wages and entitlements • <i>'too many balls to juggle at once and one may drop'</i> 	<ul style="list-style-type: none"> • generally unionised and biased opinion • ABCC not seen to be there to help this segment • seen to be 'union bashing' and there to strip entitlements • seen as a necessary evil • staff feel they are seen to impose regulations that make them less profitable 	<ul style="list-style-type: none"> • ABCC seen to be a bit of a 'nuisance' or 'pain' • generally appreciates the fact that they are present regulating the industry 	<ul style="list-style-type: none"> • lack of understanding and awareness • view of <i>'why are you here'</i> • unaware of roles, responsibilities or existence

ABCC staff believe external stakeholder perceptions have been shaped by the factors identified in the table below.

Pressing issues affecting perceptions by stakeholder segments				
Unions	Industry associations	Building workers	Building companies	Subcontractors
<ul style="list-style-type: none"> politically-driven resolution (on books) stating that they cannot speak to ABCC sham contracting wages and entitlements abolition of the ABCC unnecessary investigation into court proceedings which will never be prosecuted unions and building companies have a love-hate relationship stronger relationships between industry associations and unions 	<ul style="list-style-type: none"> internal stakeholders felt the relationships were reasonable-to-strong and not many pressing issues identified unnecessary investigation into court proceedings which will never be prosecuted timeliness of investigations perceived wastage of resources (investigating) 	<ul style="list-style-type: none"> previous investigations not resulting in favourable outcome for the workers. Left sour taste in mouth information provided by their representatives clouds their perceptions ABCC seen to: <ul style="list-style-type: none"> erode their rights make sites less safe erode power of union organisations hinder union organisers in representing workers 	<ul style="list-style-type: none"> timeliness of investigations results of past cases reluctance by employees to embrace ABCC for fear of ramification from the unions head contractors will try and handle things in-house if they can afford to right of entry (when organiser can come onsite) <ul style="list-style-type: none"> larger organisation tolerated more as less disruption to work 	<ul style="list-style-type: none"> internal stakeholders felt this segment would have limited input into the research process given the complete lack of awareness of ABCC's existence compliance costs and a perception that they feel it costs money to comply with ABCC requests for time eg to obtain statements

Responding to negative perceptions

ABCC staff were asked to gather ideas for validation with external stakeholders in order to devise a stakeholder engagement strategy for recommendation to ABCC. A number of ideas were put forward which will be considered for validation with external segments in the quantitative research phase. These included:

- have a proactive intervention approach before people enter the industry, ie build awareness at trade school/get message across
- ensure investigations are progressed into court the fastest way possible
- ensure investigations are validated as a case that would warrant litigation prior to full investigative processes
- be visible in regard to wages and entitlement compliance by showing the ABCC will also take the side of the employer
- communicate among stakeholders that ABCC presence on sites will lead to reduced time-loss at work
- communicate directly to workers on work sites

Questions ABCC staff want asked of external stakeholders

The majority of ABCC staff felt the research should be totally exploratory in order to capture true perceptions of the external stakeholders:

- what stakeholders think our role should be/what they would like to see us doing
- how does the ABCC go about overcoming the animosity among the union segments
- understand how workers and unions view ABCC's role in regard to wages and entitlements
- explore what the perceptions of the 'toothless tiger' mean and where this arose

Recommended methodology/approach to best reach and engage with them				
Unions	Industry associations	Building workers	Building companies	Subcontractors
<ul style="list-style-type: none"> • agreed that approach must be unbranded • one on one with executives of unions 	<ul style="list-style-type: none"> • agreed with proposed methodology • (in-depth interview) and coverage across the allied industries ie plumbing 	<ul style="list-style-type: none"> • approach through employer or unions • speak to these stakeholders off their work site in a group environment • contact during the day time 	<ul style="list-style-type: none"> • start with the big building companies as they are more likely to be aware of the existence of ABCC • very time poor, need to flexible and accommodating • one on one 	<ul style="list-style-type: none"> • see whether onsite group forum possible • focus groups

Sensitivities and other issues researchers should be aware of when speaking with external stakeholders

ABCC staff raised a number of issues for the interviewers to keep in mind when conducting the external stakeholder interviews. These sensitivities were raised with ABCC as part of the interim discussion prior to the external stakeholder interviews, and included:

- perceptions among workers/contractors that they have more to lose by getting unions offside than assisting ABCC. More concerned by union ramifications than implications from the ABCC
- being aware of the general negative feelings among the unions (anti-ABCC)
- the political climate is a major influence on perceptions of the ABCC
- Parliament is currently considering the role and existence of the ABCC

Comments, advice or suggestions to pass on to ABCC

Specific staff advice provided to ABCC for consideration as part of the consultation included:

- appears that there is now a process in place to get investigations into court quicker (viewed as a positive step taken by the ABCC)
- it is important to continue the process of prosecuting unions when offences are identified
- organise more education seminars/forums for stakeholders to 'come and ask ABCC a question'
- use more than just traditional methods of communication, eg online communication methods
- the ABCC is on the right track and has a clear direction (although seen to be a bureaucratic organisation)

4.2 External stakeholders

Section 4.2 outlines the results of the 39 external stakeholder in-depth interviews.

Background of participants

Participants were recruited from all states and territories. Specific locations of each of the stakeholder segments are outline in section 2.1 of this report. Participants included those from key stakeholder segments, namely industry associations, building companies, building workers and various unions with job titles including:

- Senior Executive Director (legal affairs)
- Senior Industrial Officer
- Employee Relations Manager
- Director Workplace Relations
- Director Industrial Relations
- Partner
- CEO
- Site Operations Manager
- Project Manager
- Owner
- Director
- State Manager
- Regional Support Systems Manager
- State Branch Secretary
- Assistant Secretary
- Residential Builder
- Managing Director – Commercial Estimating

Frequency of interactions with the ABCC

In terms of the frequency of contact, industry associations had the most frequent interactions with ABCC with the majority of participants indicating they received a circular on a weekly basis. Given the seniority of participants interviewed in this segment it was mentioned that generally their less senior staff would handle more of the day to day dealings with the ABCC. These participants indicated they had a preference to deal directly with the Commissioner, with a number of participants indicating they had built close relationships with the previous Commissioner, John Lloyd. Building companies would generally interact with the ABCC on an as-needed basis. Unions and workers were found to be unlikely to proactively contact the ABCC.

Awareness of ABCC and types of interactions

Industry associations and building companies were found to have the highest levels of awareness of ABCC and its role and responsibilities overall. For these two segments in particular, the majority of participants were able to discuss ABCC's areas of responsibility in great detail and reported frequent interactions with the ABCC including writing submissions for them, day to day dealings with conduct onsite, audits, code compliance or IR compliance for major builders, organising onsite presentations or training seminars from ABCC focusing on compliance and right of entry, to name a few. Union participants had low levels of top of mind awareness and generally only mentioned ABCC when prompted. The stakeholders mentioned by unions were mainly 'member' based and included builder associations, plumbers, HIA, MBA, state based industry associations, Telstra, Optus and Australia Post. Building workers have the lowest level of awareness overall with the majority of participants suggesting they had not even heard of the ABCC. For those workers who were aware, their awareness was a result of information being communicated through builder associations rather than a result of direct contact with the ABCC. For those workers with no awareness, the role and responsibilities of ABCC were outlined by the interviewer in order to progress with the interview (*'to regulate workplace relations in the building and construction industry'*).

Common stakeholder descriptions of the role played by the ABCC*		
Industry associations	Building workers	Building companies
<ul style="list-style-type: none"> industry policemen ensuring law and order to ensure the code is applied properly onsite provides a compliance function by ensuring employees, employers and unions abide by the law and code of conduct monitor compliance in the industry ensure as best as possible, no inappropriate practices in the construction industry formed to be the policing body for the building and constructions industry to ensure all participants abide by the legislation position of enforcing fair work ABCC has powers under the Building and Construction Industry Improvement Act to investigate and prosecute controlling industrial lawlessness in the construction industry 	<ul style="list-style-type: none"> body to oversee the building industry monitoring the application of the building and construction improvement act application of code 	<ul style="list-style-type: none"> enforcing the act through code of practice watchdog for the industry police the Fairwork Act ensure the industry is conducting itself in an appropriate manner overseas code of practice for the construction industry a government agency that provides advice and educates supervising and policing

* Union comments not available for unbranded engagement approach

Level of awareness:

Low

Medium

High

Common stakeholder descriptions of the role played by the ABCC include:

- controlling industrial lawlessness in the construction industry
- industry policemen ensuring law and order
- to ensure the code is applied properly onsite
- ABCC has powers under the Building and Construction Industry Improvement Act to investigate and prosecute
- supervising and policing
- watchdog for the industry
- *'a government agency that provides advice and educates'*
- provides a compliance function by ensuring employees, employers and unions abide by the law and code of conduct

When asked about the factors that influence their perceptions of the ABCC (both positive and negative), stakeholders suggested their views had been shaped by the following:

- past interactions/personal experiences with ABCC representatives
- media communications (what they read and hear in the media)
- history of the industry
- performance in prosecutions (the outcome of audits and other investigations)
- through announced policies
- discussion papers
- direct speeches by the Commissioner

For those with little knowledge of the ABCC, stakeholder views were predominantly influenced by the media.

What ABCC stands for

When asked to describe what the ABCC stands for as an organisation (rather than what they do), participants offered the following descriptions:

- *'creating lawfulness in the building industry'/stamping out unlawful practices'*
- *'keeping the bastards honest'*
- *'the rights of individuals and workplaces'*
- *'equity for Australia'*
- *'ensuring the industry operates in a productive fashion'*
- *'providing a level playing field in the industry'*

Participants were then asked for their opinions on a slogan/proposition provided by ABCC, this being *'fair and productive building work'*. Overall the general consensus was that this was a sound description of what the ABCC stands for with comments made to the effect of *'a very important slogan'*. Some concerns were raised by a small number of participants, around the terminology *'fairness'*. This language was seen to be rather ambiguous and given the number of industry stakeholders, it would certainly depend on whose perspective this statement was from. It was acknowledged that the ABCC have a difficult role in trying to find the middle ground in the industry, however law enforcement (ABCC's perceived core function by stakeholders) was seen to be about compliance rather than fairness.

High level perceptions of the organisation

High level perceptions of the ABCC varied considerably among the stakeholder segments with the most positive perceptions among industry associations and building company participants, and intense negative perceptions found with union participants.

Unions	Industry associations	Building workers	Building companies
<ul style="list-style-type: none"> not many positive perceptions provided overall resentment by unions - resent having some of their powers taken over and making their job harder seen to be a deeply political and historical origin with more positive perceptions 5 or so years ago <i>'not toothless but biting in the wrong places'</i> (opportunity to reposition) <i>'they need to grow some balls'</i> 	<ul style="list-style-type: none"> regarded as an <i>'essential cop on the beat'</i> due to high level of unlawful behaviour, but not particularly efficient undefined role - concern over ABCC's expanded role into wages and entitlements – viewed as losing focus from what originally set up to do. Concern over limited resourcing as a result or additional resources being used for other purposes <i>'focus on what they were set up to do rather than trying to be nice to unions...like trying to be nice to bank robbers'</i> seen as a critical function. Seen to be losing its authority and impact. Vic will be worse off if lose statutory role. Ensure protect their independence from government. <i>'Vic will go back to the bad old days if ABCC didn't do their role or the Government didn't resource them to do role'</i> ABCC seen to be successful in prosecuting breaches of the law from employers and employees <i>'operating in an environment which is very difficult...hostile union movement branding ABCC as a political instrument rather than enforcing industrial law'</i> 	<ul style="list-style-type: none"> lack of understanding and awareness overall investigators have little knowledge base of industry viewed as having poor follow up on audits to see if issues have been rectified seen to be competing against unions for power perception that they are working in favour of employers seen to be influenced heavily by politics caution of ABCC at the moment because they come to sites for investigations and have little other contact 	<ul style="list-style-type: none"> generally have good rapport with builders. Positive perception overall calming presence in an industry seen to be rife with inappropriate practices, eg corruption and bullying ABCC not as strong a presence as they used to have. Seen to be influenced too heavily by the labour government <i>'lost their teeth...shaped by politics'</i> <i>'seen to have credibility issues through no fault of their own...Labour government not being as hard on unions as the Liberal government was'</i> <i>'won't approach them because they have their hands tied'</i> <i>'has lost much of the learnings from the Cole Royal Commission'</i> <i>'difference in role between the ABCC and the Workplace Ombudsman is not clear...need just one body in industry eg like the ACCC which has specific areas but forms part of an overall group'</i>

Organisational strengths and weaknesses

The strengths and weaknesses of ABCC from the perspectives of each external stakeholder segment are outlined below.

Building companies

What ABCC does well

- professional
- provides a calming influence in disputes in an industry known to have a poor culture
 - *‘the threat of a body calms everybody and makes sure they don’t go too far’*
 - has a positive presence in changing behaviours
- proactive
- well organised
- provides good advice and recommendations around how the code has to be administered
- amicable staff
- responsive to requests for information
- approachable
- reasonably easy to get along with
- not one sided, impartial
- willingness to inform and educate (seen to be a big positive)
 - free advice/seminars/training provided to all levels of organisation
- transparent auditing process
- willingness to share information and work with stakeholders
- viewed by the smaller builders as having the potential to assist from an employer perspective

What can be done better?

Building companies were pleased with the ABCC in terms of the role and responsibilities overall. Consequently there were not many areas raised that can be done better.

- improve their education to the direct workforce
 - currently limited contact
 - incorporate education as part of the professional development points system
 - onsite education seminars to convey what they represent and what their role is
- more resources to conduct investigations and reduce interruptions to work
 - *with the capacity they have they do very well but there is not enough of them’*
- disseminate information through Industry associations, eg MBA
- ABCC to recognise private sector cost and resource implications when additional work is needed
- with a period of uncertainty about their future, the ABCC is seen to have *‘taken their eye off the ball a little bit’*
- they need to counter false or negative publicity they receive in a better manner. While stakeholders felt they have a way to go in this area it was acknowledged that they had improved in the last 9 months

Building associations

What ABCC does well

- conducts investigations into unlawful conduct very well
 - *'they have done an excellent job and their role should be retained'*
- strong statutory power
 - *'industry is not capable of looking after its own industrial relations'*
- supportive
- successful in prosecuting breaches of the law by employers and employees
- significant resources behind them
- make the building industry a good place to work, ie no longer suffer from intimidation and discrimination
- accessible and contactable
- *'well managed organisation in the last 5 to 6 years'*
- excellent public relations – media releases
 - *'promoting its role and what it does'*
 - strong media communications
- very proactive - prompt response time to disputes and queries

What can be done better?

The major concern among industry associations centred on the expansion of the role into wages and entitlements and a lack of resources for their core functions were the most frequently mentioned aspects for ABCC to address.

- no involvement in social policy or law reform
 - seen to be an arm of Fair Work Australia (not seen to be appropriate)
 - *'they need to understand what their goal is'*
 - *'keep focus on the building industry enforcement of the law...ABCC would lose focus if they become more of a social welfare agency'*
 - *'with the focus on sham contracting it's almost like they are an agent for the tax department'*
- hold formal consultations more often with opportunities for stakeholders to provide feedback
 - round table discussion held on the recent sham contracting enquiry seen to provide little opportunity for stakeholder feedback
 - *'primary school-like forum...didn't appear to listen to the views outside of how they (ABCC) saw it'*
- maintain building industry enforcement role - *'keeping the bastards honest'*
 - risk diversion into other areas is not productive
 - *'wider engagement with industry may mean better compliance but resources might be put to areas that make people feel better but don't change anything'*
- more visibility in the field
 - go and see more of their members at trade nights, *'fly the flag'*
 - visit the worksite more regularly rather than just when they receive a complaint
- quality of staff - ABCC staff seem to lack expertise in construction *'give me a cop who has been in the game for 20 years'*
 - while investigators might be strong in investigating (often ex-police officers), they are perceived as lacking industry knowledge
- ensure continuance of staff
 - not always dealing with the same investigator; building companies seek to have the same person through the life of a project

Building workers

What ABCC does well

Building workers were generally unaware of the ABCC and its role, consequently not many positive areas of work were raised. However when the role of the ABCC was explained to participants they generally agreed the ABCC played an important role in the industry.

'the big burly policeman'

What can be done better?

With limited understanding of the ABCC, a number of comments were based on what an ideal organisation with should provide/act on:

- build awareness and knowledge around role of ABCC
- provide seminars to inform workers of ABCC's role and how they can assist, eg at trade shows
- a process of confidence-building is needed
 - talk to members and inform them so that they do not view the ABCC as a threat but as a strength to them, ie rather than taking a union to court the worker can tell the ABCC about their issue
- promote through relevant associations, eg Master Builders Association - ABCC representative to attend monthly MBA and HIA meetings
- address limited awareness through actions, eg case studies in documentation would be seen to be good reassurance that the ABCC can still make worthwhile actions
 - evidence based observations are important otherwise the ABCC credibility will wane with this segment
- communicate relevant information via email, eg quality standards
 - information to be provided in layman's terms
 - information to be provided in various languages to account for diverse workforce, eg Chinese, Lebanese and Turkish
- provide contacts/representatives that have the relevant information as to what is happening in field
 - industry knowledge, eg plumbing knowledge if dealing with a plumber
 - knowledge of individual organisational situations
- responsiveness to queries
 - provide feedback on the status of a query or outcome of an investigation

Unions

Given the unbranded approach with this segment, detailed descriptions of the strengths and weaknesses of the ABCC as an organisation were a challenge to obtain, with no union participants mentioning the ABCC until prompted. As a result, the possibility of conducting additional branded interviews will be considered prior to the quantitative research phase to ensure all key issues have been identified. When prompted on their perceptions of the ABCC as an industry stakeholder, union participants expressed an intense dislike of the ABCC as they felt that their own role was to look after the best interests of the members such as ensuring they were paid properly (Awards and EBAs) and their jobs are safe. The ABCC was seen as preventing them from conducting their jobs efficiently.

What ABCC does well

Very few positive perceptions were mentioned by unions overall. South Australian union participants were the exception and included:

- can use their resources to investigate unfair pay issues. This was seen as useful for unions in SA in particular as well as for other offices where they don't have the resources to do themselves/can't afford to do it
- some more experienced members of ABCC staff seen to be a major asset

What can be done better?

Unprompted descriptions of ABCC shortfalls in the eyes of union participants included:

- approached as 'ideal or best practice stakeholder relationships'
- negative entrenchment and WOM of various stories (seem to be related to 'jurisdictional jealousy')
- taken powers to investigate whistle-blowers without complaints signed and in writing
- seen to "attack us for no reason" and "take us to court and cost a lot of money for nothing"
- "waste of tax payers' money" "lots of hype around this new Commissioner... wait and see what he can do"
- 'the ABCC is a waste of money...\$40M a year'
- "hidden agendas and don't trust them"
- 'remains to be seen what the new Commissioner will do' (opportunity!)
- Royal Commission cost \$100M and didn't deliver a clear outcome
- targeted relationship and brand building strategy needed with unions (recommendation to be discussed later)
- when a complaint is made the ABCC needs to manage expectations and if they are not going to pursue the complaint and legal case then they need to meet with employees personally and explain the reasons why. If this is not done, the risk is that workers won't go to the effort of complaining about an employer when they potentially could lose their job
- ABCC seen to have a layer of red tape and as a result unions have the perception that the ABCC is slow to get this happening

Communication preferences

Given time pressures and the daily job demands of stakeholders, electronic communication was deemed the most effective method across the participating stakeholders segments, especially by industry associations. The majority of participants from this segment received the ABCC newsletter/circular emailed on a weekly basis and found it extremely helpful in highlighting relevant industry issues and understanding the cases ABCC is involved in. An example of a recent case study was mentioned highlighting the result of a case in which union officials were banned from a particular worksite for a period of three months. Stakeholders like to understand the key learnings and outcomes relevant to their own work situation. Emails were particularly convenient for industry associations as they were often passed on to their members. More senior participants from industry associations expressed an expectation to deal with someone of a similar level in the hierarchy at the ABCC and have the opportunity to exchange views with them. One particular senior industry association representative was disappointed that they had not yet had contact with the new Commissioner, stating *'the new Commissioner hasn't approached us yet'*.

While a popular communication option, industry associations and building company participants reported being overwhelmed by the number of emails they receive on a daily basis and therefore if the emails highlight the key issues (bullet points with a hyperlink to the full article/case study), this would be an efficient way to communicate. Emails disseminated through industry associations were likely to have more cut-through with building workers, who suggested they have a preference to receive a newsletter or email as they lack the time to talk to ABCC reps. Other popular communication methods suggested by workers included ABCC representatives attending monthly MBA and HIA meetings and quarterly seminars.

Union representatives expressed that the building and construction industry was an extremely verbal demographic overall and that proactive face to face communication is the best way to communicate with building workers and subcontractors in particular.

'not enough door knocking'

Building companies had a strong preference for face to face contact in addition to relying on the ABCC website as an information source. These participants stated that they require a consistent contact point to seek advice when the event arises.

Ultimately communication preferences depend on what the ABCC is trying to achieve. It is therefore important that a combination of communication options are made available.

The majority of participants indicated they were generally happy with the current frequency of communication from ABCC. Monthly or quarterly contact or as a need arises were the ideal frequencies across the stakeholder segments.

Building better relationships

Industry associations and building companies were found to have the strongest relationships, trust and rapport with ABCC. It was encouraging to note that the majority of participants in this segment felt they had already established strong working relationships with the ABCC.

'They help us, we help them'

Building worker participants perceived themselves as having no existing relationship with ABCC, and unions were likely to have negative relationships with the ABCC.

Factors that deepen stakeholder relationship

Key ingredients for a long term relationship were identified by stakeholders:

- regular interactions
 - hold formal consultations more often/networking events
 - personal meetings - creates opportunities to exchange views with the ABCC
 - must have element of face-to-face contact with this cohort (quarterly at least with the more strategically important segments)
 - phone and email contact as follow up and complementary to it
 - visible at sites/talking to members/seen to be there
 - recognised as important to know the people they are dealing with
- willingness to understand external stakeholder needs
 - provide them with an understanding of what the ABCC does
 - materials to support their roles and responsibilities
 - must come from the top to show sincerity and commitment to improving relations
- provide more frequent communication to the smaller jurisdictions, eg NT to demonstrate importance of all areas
- assign an action officer/nominated contact to unions (continuity of staff seen to be an issue)
- open, honest and transparent round table discussions to start building the relationships and tailor with each cohort
 - sitting down and explaining their strategic direction
 - find out what is important to industry parties
- accessible and contactable
- exchange views and discuss issues openly
- ensuring there is an understanding on both sides of the relationship as to what the ABCC's role is and if there are changes, ensure these are out in the open
- provide high quality information/advice, ie knowledgeable staff
- following through with service no matter how small the issue
- one point of contact
- face to face communication is critical in the building and construction industry as described as a very verbal industry overall
 - visit sites as much as possible

Worksafe was provided as an example of a best practice organisation in terms of building strong stakeholder relationships.

Factors that weaken stakeholder relationships

Listed below are the key factors participants believe weaken relationships with stakeholders:

- lack of transparency, eg hiding documentation
- inappropriate application of resources
- lack of honesty
- unfair treatment, eg 'witch hunts'
- lack of communication and consultation, eg not communicating when the ABCC is to visit

External stakeholder engagement – next steps

While face to face contact was a preferred method of contact across the board, when asked about the best way to alert stakeholders to the follow-up quantitative stage and the best way to implement the quantitative approach, the findings indicate that a combination of telephone and online survey approaches would be the most appropriate. Some stakeholders stated that they receive too many emails to take notice of and therefore a phone survey would be more appropriate. For others who lack of time to participate during the day, an online survey they can complete after close of business would be suitable. Leveraging the existing relationships between the industry associations and unions, workers and subcontractors to encourage participation would be beneficial.

External stakeholder engagement				
Unions	Industry associations	Building workers	Building companies	Subcontractors
<ul style="list-style-type: none"> • face to face contact/one on one • write to unions initially to inform them of the intention to engage them in the research • branded research to ensure unbiased opinions 	<ul style="list-style-type: none"> • target through ABCC circular with known high readership levels 	<ul style="list-style-type: none"> • when to contact ie after hours contact is most appropriate. Limited time during the day • face to face or by phone • employer groups can assist with the process • target larger commercial building workers. Residential workers feel that they are not really in the category for ABCC intervention 	<ul style="list-style-type: none"> • one on one contact • these stakeholders receive too many emails 	<ul style="list-style-type: none"> • likely to ignore emails • target through industry associations • off-site contact • target through community leaders

5. Preliminary recommendations

Below are some preliminary recommendations to be validated after completion of the quantitative research phase.

Develop and advise research program to quantify the strength of these issues in the broader market

ABCC may want to consider expanding the segments to include subcontractors in the survey given internal ABCC staff perceive this segment to have limited awareness of the ABCC and limited contact with them. Stakeholder feedback indicates 'foot slogging' to mix with stakeholders at ground level is required and education should start at key industry entry points. Therefore ABCC may wish to consider the appropriateness of targeting the survey through training institutions and trade schools. In addition, Victorian police are known not to get involved in industrial disputes and some stakeholders suggest this segment could be called upon to act as an intermediary between the unions and the ABCC. Similarly, ABCC may wish to validate the appropriateness of this recommendation in the quantitative phase.

Consider the need to brand the survey for all segments including union involvement, in order to achieve unbiased opinions

The findings from the initial union engagement approach indicate that it will be challenging to secure involvement without branding the research. This suggestion should be carefully considered by ABCC and discussed in more detail with newfocus.

Feed back selected results to stakeholders

Given the receptive response to the stakeholder engagement from the majority of stakeholders, it may be beneficial to communicate selective research results to key stakeholder groups to demonstrate ABCC's commitment to understanding the issues they face and desire to build strong industry relationships. As a result this is likely to build confidence among external stakeholders.

Identify 'stakeholder stars' internally to look at specific behaviours

Look to understand how these 'stakeholder stars' communicate with stakeholder segments (proactive and responsive to requests) and build rapport.

Review communications plan

Review ABCC's communications plan (frequency, content and channel) and test ideal frequency and method in the quantitative phase.

Awareness building strategy with some segments (to be validated)

Awareness building strategy may be required particularly with building workers and subcontractors in terms of role and responsibilities of the ABCC.

Long term brand building required with unions

- use expanded role and responsibility (into wages and entitlements) to approach state and other unions as a joint venture to find a common goal to recover relations
- round table open and honest facilitated session
- brand building to come from the top down
- opinion leaders and influencers necessary to get on side first

Case studies into ideal stakeholder relationships

newfocus is currently undertaking desktop research to identify case studies of ideal stakeholder relationships in similar markets in order to assist ABCC with the development of strategic organisational priorities (outlined in section 1 of this report).

Validate the recommendations and ideas raised by ABCC staff

These are summarised below:

- have a proactive intervention approach before people enter the industry, ie get in early and build awareness at trade schools, universities and TAFE/get message across so industry participants have a balanced view rather than one-sided (union perspectives)
- ensure investigations are progressed into court the fastest way possible
- ensure investigations are validated as a case that would warrant litigation prior to full investigative processes
- be visible in regard to wages and entitlement compliance by showing the ABCC will also take the side of the employer
- communicate among stakeholders that ABCC presence on sites will lead to reduced lost work time
- communicate directly to workers on work sites

Consider the advice provided by ABCC staff for consideration as part of the consultation

The advice from ABCC staff is highlighted below:

- it appears that there is now a process in place to get investigations into court quicker (viewed as a positive step taken by the ABCC)
- it is important to continue the process of prosecuting unions when offences are identified
- organise more education seminars/forums for stakeholders to 'come and ask ABCC a question'
- use more than just traditional methods of communication, eg online communication methods
- the ABCC is on the right track and has a clear direction (although seen to be bureaucratic organisation)

Appendix: The Research Instruments

ABCC

Qualitative Research – Stakeholder Consultation (internal)

In-depth Interview Guide (Version 2)

Note on interviewer questions:

Questions are a guide *only*. Skilled researchers will adapt the question flow, probe more deeply in some areas and skim over others, but always keeping in mind the objective of the research. As we are conducting a number of interviews, we may weight the sections more or less strongly depending on previous information gained—aiming to fill any knowledge gaps.

SECTION A: Introduction to research

- *Introduce self and newfocus (independent national research company)*
- *Explain purpose of study is to explore stakeholder perceptions, views and attitudes towards the ABCC (initially speaking with internal staff before going to external stakeholders)*
- *Interview will last around 20 minutes depending upon answers*
- *It is an informal interview, no right or wrong answers, want open and honest opinions*
- *Responses will remain completely confidential and reported in summary format in accordance with the Market and Social Research Privacy Principles (M&SRPP's)*

Note to interviewer: anything outside of ABCC's jurisdiction, statutory obligations, internal processes or CEO/senior management comments are outside scope of the research but can be noted

Note: interviewer to determine the following outcomes

SECTION B: Background

1. Role/title at ABCC?
2. Determine which stakeholders deal with?
3. For each segment: frequency? Level of interaction?

SECTION C: Overall perceptions

1. At a broad level determine what ABCC does well as an organisation?
 - a. What can be done better?
2. How well is ABCC known with stakeholders dealt with?
3. (Still at a broad level) How do stakeholder groups view ABCC overall?
4. Main factors affecting perceptions of ABCC overall?

SECTION D: Perceptions by stakeholder segment

1. For each stakeholder group they interact with, determine the top five pressing issues affecting perceptions of ABCC
 - Unions
 - Industry associations
 - Building workers
 - Building companies
 - Subcontractors
2. Determine ideas/suggestions on how ABCC can respond and overcome any negative perceptions?

SECTION E: Suggestions for improvement

Explain segments to be consulted with in next phase of project. For each:

1. What insight is needed from stakeholder segments which would help them in role at ABCC?

SECTION F: Validating proposed consultation approach for external stakeholder interviews

1. Methodology?
2. Informed opinion on how to best reach them and engage? (i.e.: seminars, conferences to attend and consult with them?)
3. Any sensitivities or other issues that researchers should be aware of before speaking with these segments?

SECTION G: Final thoughts (if time)

1. Comments, advice or suggestions to pass onto ABCC that needs to be taken into account as part of the stakeholder consultation?

Thanks and close

ABCC

Qualitative Research – Stakeholder Consultation (external)

In-depth Interview Guide (Version 2)

Note on interviewer questions:

Questions are a guide *only*. Skilled researchers will adapt the question flow, probe more deeply in some areas and skim over others, but always keeping in mind the objective of the research. As we are conducting a number of interviews, we may weight the sections more or less strongly depending on previous information gained—aiming to fill any knowledge gaps.

SECTION A: Introduction to research

- *Introduce self and newfocus (independent national research company)*
- *Explain purpose of study is to explore stakeholder perceptions, views and attitudes towards the ABCC*
- *Interview will last around 20 minutes depending upon answers*
- *It is an informal interview, no right or wrong answers, want open and honest opinions*
- *Responses will remain completely confidential and reported in summary format in accordance with the Market and Social Research Privacy Principles (M&SRPP's)*

Note to interviewer: anything outside of ABCC's jurisdiction, statutory obligations, internal processes or CEO/senior management comments are outside scope of the research but can be noted

Note: interviewer to determine the following outcomes

SECTION B: Background

1. Role/title at organisation
2. Contact with ABCC

SECTION C: Overall perceptions

1. Firstly broadly speaking, what do you understand ABCC's role to be?
2. *Explain ABCC role to interviewee:*
'to regulate workplace relations in the building and construction industry'
3. Were you aware that they are responsible for these areas?
 - a. Confirm aspects aware/unaware
4. How do you hear about the ABCC and what they do?
5. What do you think of the ABCC as an organisation?
 - a. Explore strengths/weaknesses
6. If had to describe them, what do they stand for? (not what they actually do but what they stand for as an organisation)
 - a. *Consultant to test proposition...* 'fair and productive building work'
7. At a broad level determine what ABCC does well as an organisation?
 - a. What can be done better?
8. What influences and shapes your perceptions of ABCC?
9. How can the ABCC keep you updated with relevant industry issues?
10. Explore communication preferences with ABCC
 - a. What/how?
 - b. When/frequency?
11. How can they build better relationships with people like yourself?
 - a. What deeps relationships with stakeholders?
 - b. What injures relationships with stakeholders?
 - c. Examples of both?

12. Given they are investing the time, effort and resources into understanding the obstacles they need to overcome and looking at building stronger relationships, talk us through ideas and suggestions they should do?

SECTION D: Final thoughts

1. Comments, advice or suggestions to pass onto ABCC that needs to be taken into account as part of the stakeholder consultation?

SECTION E: Validating quantitative survey (if time)

1. Consultant to validate methodology for survey
 - a. Alert stakeholder to follow-up quantitative stage
 - b. Best way to implement quantitative approach?
 - i. How to best reach them and engage?

Thanks and close

ABCC

Qualitative Research – Stakeholder Consultation (union specific) In-depth Interview Guide (Version 1)

Note on interviewer questions:

Questions are a guide *only*. Skilled researchers will adapt the question flow, probe more deeply in some areas and skim over others, but always keeping in mind the objective of the research. As we are conducting a number of interviews, we may weight the sections more or less strongly depending on previous information gained—aiming to fill any knowledge gaps.

SECTION A: Introduction to research

- *Introduce self and newfocus (independent national research company)*
- *We are trying to understand relationships in the building and construction industry and are conducting a study on behalf of the industry looking at unions, stakeholder engagement and best practice methods to improve relationships*
- *Interview will last around 20 minutes depending upon answers*
- *It is an informal interview, no right or wrong answers, want open and honest opinions*
- *Responses will remain completely confidential and reported in summary format in accordance with the Market and Social Research Privacy Principles (M&SRPP's)*

Note to interviewer:

- *anything outside of ABCC's jurisdiction, statutory obligations, internal processes or CEO/senior management comments are outside scope of the research but can be noted*
- *interviewer to determine the following outcomes*
- *anticipate ABCC, MBA to be named unprompted or will introduce as brands/organisations to test*

1. Role/title at organisation (briefly describe)
2. Who are the stakeholders that you engage with in the building and construction industry?
3. Which stakeholders have the best relationships with you?
 - a. Why?
 - b. Determine strength of relationship?
4. Which stakeholders have the worst relationships with you
 - a. Why?
5. *If not mentioned introduce MBA, ABCC as examples*
6. How can stakeholders build better relationships with people like yourself?
 - a. What deeps relationships with stakeholders?
 - b. What injures relationships with stakeholders?
 - c. Examples of both?
7. Consultant to determine ideal or best practice stakeholder relationships
 - a. What are the key ingredients for success?
8. What's your ideal or best practice communication with a certain stakeholder group (i.e. MBA)
 - a. What/how? (i.e. verbal, face-to-face etc)
 - b. When/frequency?

Thanks and close

