### Settlement Service Providers' Guide To Working Effectively With Employers

December 2020







Participating in work is critical to settlement and integrating in Australia. Employment and self-employment provide people with economic independence. Beyond this, work helps people with a refugee background to learn English, build a sense of belonging and establish social connections with the wider community. In short, engaging in work maximises refugees' opportunity to fully participate in Australia's social, political and economic life.

Yet what we know from the data is that economic outcomes are especially low in refugees' first year in Australia and it takes too long for outcomes to equalise with the broader Australian community.

Looking at the picture of refugee economic participation more closely, we see that the barriers refugees face and strengths they bring to work are varied. For example, some refugees arrive with very limited English, while others have vocational level English language abilities; some arrive with a tertiary degree, others will not have finished Year 9 in their schooling. The available supports and pathways need to respond to this diversity. This is a complex task and requires the coordinated and collective efforts of many different organisations – settlement service providers, employers, English language trainers, social enterprises and so on. This guide outlines some of the ways settlement services can contribute to the goal of lifting economic outcomes for people who have a refugee background. It is based on significant work done by the Settlement Engagement and Transition Support Community of Practice to draw together best practice.

Sharing, documenting and promoting best practice is crucial to success. Doing so ensures that we are always getting better, in pursuit of our common goal. This guide is a significant achievement. It draws on the experience of the settlement sector as well as an emerging literature around what works. The guide translates know-how and evidence into practical tools and advice, with the aim of helping services to better engage employers and promote economic outcomes.

I hope the sector uses this guide as it continues its work to support refugees settle and integrate in Australia.

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### Introduction

The right to work is a fundamental prerequisite for human dignity and is recognised in the 1948 Universal Declaration of Human Rights. Employment and the ability to contribute is central to our sense of purpose and belonging. Beyond the financial rewards, work plays a positive role as a source of wellbeing and a driver of self-confidence and self-esteem. It brings interpersonal networks and creates social bonds.

A sense of contribution to society or the common good is a deep human need. Employment is not only key to gaining independence in other domains of life, such as housing, health and social engagement, but the act of working is in itself beneficial. Beyond the individual, work is also important for the promotion of community cohesion and a feature in many dimensions of social inclusion. Approaching integration through the prism of work recognises the benefits of economic participation to the whole of the settlement process. For many recent migrants, a job is critical to their sense of personal and social identity. Work is a central piece across all societies and is a universal and indispensable means of enhancing an individual's sense of purpose and belonging. Recent migrants seek not only to settle but to contribute and to establish a place in the workforce.

Australia's settlement program is recognised as one of the most successful settlement programs globally. Since World War II, Australia has helped more than 800,000 refugees and displaced people of different nationalities and faiths to settle and integrate into the community.<sup>1</sup> However, only 17 per cent of humanitarian migrants are in paid employment by 18 months after arriving in Australia.<sup>2</sup> Improving unemployment outcomes by 25 per cent would unlock \$465 million in income and \$17 million in government value over the next decade.<sup>3</sup>

The barriers to employment of refugees and vulnerable migrants have been well-researched and include:

- Limited English proficiency and literacy
- Lack of Australian work experience
- Gender bias (i.e. fewer opportunities for women)
- Poor physical or mental health
- Complex skills recognition and professional accreditation processes
- Difficulty navigating the Australian labour market
- Reduced social networks.

Improving employment outcomes for newly arrived refugees and vulnerable migrants has many benefits to the individual, to society and to the economy.<sup>4</sup> Specifically, improved employment outcomes<sup>5</sup> will :

- Strengthen social cohesion and belonging
- Facilitate the transition into the Australian society
- Enhance housing outcomes
- Improve English language outcomes
- Build social connections and social capital
- Improve mental and physical wellbeing.

Employers have found that migrants, including humanitarian migrants, can bring a number of benefits to the workplace<sup>6</sup>, which include:

- Strong work ethic: Newly arrived refugees and migrants tend to be eager to learn, hardworking, committed and loyal.
- Corporate Social Responsibility (CSR): Employment of newly arrived refugees and vulnerable migrants contributes to an organisation's CSR through enhancing their reputation within the community and supporting the fulfilment of diversity quotas.
- Innovation: Inclusive recruitment strategies encourage innovative solutions and enable employers to tap into a highly skilled and diverse workforce. Further, a diverse and inclusive workplace, which is representative of the wider community, facilitates marketing and revenue opportunities for the employer.
- Labour shortages: Employing refugees and vulnerable migrants fills workforce gaps that employers may struggle to address through the local workforce.
- Workplace morale: Workplaces that engage in refugee employment programs often experience a bounce in employee drive and a greater sense of commitment to the organisation.

### The case for a paradigm shift

Settlement service providers and employers operate quite differently and work towards different priorities, which, at times, can be seen as 'worlds colliding'. Potential employers need support to understand the value that can be created through hiring refugees and vulnerable migrants. In addition, employers may need assistance with the recruitment process and the integration of refugees and migrants into their workplace.

While the focus of employment activity in settlement has tended to concentrate on building job-readiness and facilitating referrals to jobactive providers, it is clear that many providers are moving to a whole-of-organisation approach. Further, the devasting impact of COVID-19 on the Australian economy creates an imperative for settlement service providers to adopt a more integrated approach to facilitating the economic participation of their clients. An emerging area of much-needed focus is the back end of the process; that is, engaging business in employing newly arrived refugees and vulnerable migrants. Recent research by the University of Sydney (2020) has articulated employers' motivations and challenges with employing refugees, noting that:

'the majority of employers that have hired refugees would recommend that other employers do the same. By following best practices in recruitment, integration and retention, and by leveraging the support of service providers, many employers are successfully integrating refugees into the Australian workforce.<sup>7</sup>'

With the uncertainty and impact of COVID-19 on the settlement sector, the realignment to employment is a strategic move for many settlement service providers. The paradigm shift in settlement sees an increasing emphasis on building networks with local employers. At its core, the change process (detailed below) requires organisational adjustment from the governance level down to operations, shifting thinking, emphasis and purpose. Considerable reflection and self-examination are required by executive managers, as the change process is substantial and needs to be planned thoroughly. Executive managers are responsible for, and must lead, the change process. This is organisational change at its best and it will not be successful without strong leadership and direction.

#### 2.1. About this Guide

The Guide was informed by members of SETSCOP — a national community of practice bringing together service providers that support refugees and vulnerable migrants under the Settlement Engagement and Transition Support program. In particular, the Guide draws on the input from the three SETSCOP Economic Participation sub-groups and the outcomes of the Employment Roundtables held by SETSCOP in November 2020 to discuss employmentrelated challenges; current employment models and initiatives; and future opportunities for employment in settlement service delivery.

This guide is intended for boards or management committees, the executive and managers to lead, design, align and execute a change process towards a new model approach. This Guide articulates the required steps for evolution, providing practical guidance on each phase — from calibrating governance structures to opening doors to employers. It includes advice on how to support employers through the development of a business case on the benefits of recruiting refugees and vulnerable migrants; tips on developing job readiness of clients; steps for matching clients with employer needs; and assisting employers with workplace integration and retention. The Guide also briefly discusses the emerging and attractive opportunities with regard to refugees and vulnerable migrants starting their own business.

The scale and nature of service provider organisations varies greatly across the settlement sector; therefore, an open and pragmatic approach is required in interpreting the Guide and shifting to a new paradigm of organisational focus and alignment to individual participation outcomes through employment.

**Section 3** is specifically written for boards or management committees and executive managers. They are also encouraged to use the Employment Focus and Alignment Gap Analysis as detailed in the Annex to determine the organisation's readiness for change.

Sections 4 through 7 are for executive management to consider carefully. These parts of the guide should be used to assist service providers in developing and executing their change projects towards a new business model.

This Guide is complementary to Friendly Nation Initiative's Australian Employer's Guide to Hiring Refugees<sup>8</sup> and the Department of Home Affairs' An Employer's Guide to Working With Refugees.<sup>9</sup>

# A new focus: from conventional settlement to participation through employment

The shift in focus by settlement service providers to a greater emphasis on participation through employment is a whole-of-organisation decision. It must start at the board level to ensure alignment of purpose with the strategic plan, then filter through to executive managers and operational staff, and be reflected in the organisational structure. An example of the new business model approach is shown below in Section 3.4.

### 3.1. Alignment of governance arrangements – a 'to-do list' for boards

The change process begins at the governance level of the board or the management committee. The following organisational steps provide a guide to action:

- **Reflection and buy-in:** The board should endorse a shift from a broad approach to settlement to one that is grounded in participation through employment. While for some providers, employment may have already been a focus, boards should consider undertaking a reflective exercise to determine the extent to which the organisation is aligned to an employment-centric model. As a first step, boards should consider completing the Employment Focus and Alignment Gap Analysis contained in the Annex. From this point of consensus, a resolve for change can be understood, agreed upon, and only with such clarity, can the change process move forward.
- Clarification of purpose: Next, the board should examine its purpose either as written in its constitution or perhaps, more importantly, as understood by the board members and the executive management team. This should be modified to reflect a clear employment-centric purpose. Organisations should begin to view themselves as possessing employment capability and expertise.
- Gap analysis and alignment to strategic plan: The completed Employment Focus and Alignment Gap Analysis helps boards understand the extent of the gap and the distance to travel towards achieving change. Planning can then be undertaken to bridge the gaps, and resulting initiatives should be incorporated into the organisation's strategic plan.
- The plan must address, in order, the three elements of strong leadership<sup>10</sup> as shown below:
- 1. **Vision:** Provide a clear and holistic picture of the end goal.
- 2. Alignment: Address key messaging and inspiration. The executive management team must lead this change, articulating the

end state with inspiration and passion while acknowledging practices to date. This is critical to successfully bringing staff along the change curve as quickly as possible.

 Execution: Implement strong project management focused on problem solving. The execution of the plan should be reviewed on its progress against key milestones.

### 3.2. New emphasis and role for executive management

Under the new model, the role and objectives of executive managers change. Obtaining employers' buy-in for larger scale employment of refugees and vulnerable migrants is critical and requires a new approach to networking, as well as an ability to sell the value proposition effectively.

Changes to process, emphasis and skills of executive managers include:

- Networking: Networking activities must shift towards employers and their associated industry groups. Conversations are more likely to be more commercial in nature.
- Sales: There is a need to adapt to a more salesoriented approach. Sales is a skill that can be learnt but for many settlement service providers, it is new and requires adjustment. It is important that executive managers become comfortable with selling.
- **Speaking the language:** Understanding and speaking the language of employers is key. It will help in understanding their drivers, challenges and pain points. The ability to 'walk in the shoes' of an employer will go a long way in engaging and developing a strong ongoing relationship. A simple training session may be all that is required for many to better navigate this area.

Executive managers are responsible for, and must lead, the change process by providing strong direction and commitment to employment through clear vision, alignment and execution. The change areas can be divided into the following components:

- Tighter integration between settlement case management and employment services: Settlement service providers who also deliver employment-centric services, such as jobactive and Disability Employment Services, do so in a way that is often structured and operated as independent business units. While some have attempted levels of horizontal integration, gaps may remain between settlement case management and employment services, resulting in the organisation operating in silos. The key to breaking down these silos is the creation of a unified sense of urgency around a common cause<sup>11</sup> and a unifying goal aligned to the changed purpose, as discussed in Section 3.1 above.
- Stronger emphasis on employer engagement: For many organisations, the focus of settlement has been on case management and preparing individuals to become more employable by addressing their needs across all settlement domains. In a traditional case management model, it is only once activities for all settlement domains are near completion that the process of finding employment opportunities for the individual comes into focus. The new model is about matching the individual's job readiness activities to employer needs, while acknowledging that barriers can be concurrently addressed and overcome. This approach requires a shift in thinking and in the approach to case management. An understanding of employer needs and vacancy requirements should guide the individual's job readiness activities, ensuring that they can be customised to the role.

- Selling capability and adoption of sales management processes to effectively engage with employers: Acquiring these skills is relatively easy, however, there may be some resistance from staff during the change management process. It is important that this be imbedded in the change culture of the organisation and framed as an opportunity for growth.
- Change to employment-centric outcomes: Meeting employment objectives will become key outcomes and indicators of settlement success. This guide does not advocate for a shift from achieving other settlement goals, but it does emphasise the value and impact of sustainable employment outcomes for individuals and the critical role that settlement service providers can play in this regard.

#### 3.4. Example of the new business model approach

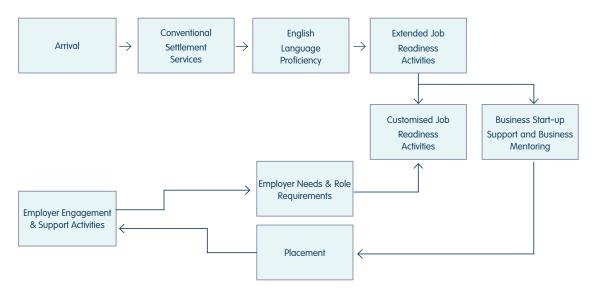
Figure 1 shows the current employment pathway for individuals that is part of the overall settlement process. This is a linear model, whereby the individual flows through the settlement process step-by-step towards employment. It deals first with bridging the individual's readiness, then moves to the job search and subsequent placement activities.

#### Figure 1 - Old Settlement to Client Job Placement Process



Figure 2 shows an expanded business model for the individual's participation in employment. This model can guide the organisational design within the change process.





The expanded model in Figure 2 is a circular model as opposed to the linear process in Figure 1. The individual goes through the conventional settlement processes, however, job readiness activities progressively become more intensive and targeted in nature, allowing for a more continuous, tailored and relevant process.

Within the expanded model, the organisation engages with employers to:

- Market the value proposition of employing refugees
- Understand employer needs
- Understand employers' specific role requirements
- Place individuals within the employers' organisations
- Support employers in workplace integration post placement.

The model also factors in the need to address both the opportunity and the desire of many recent migrants to start their own businesses.

### 3.5. Whole-of-organisation approach to alignment

The change process should embrace the alignment of the organisation's resources, operating entities and programs to the objective of participation through employment.

In parallel to settlement services, many service providers either operate employment-centric businesses and services — such as social enterprises and Registered Training Organisations (RTOs) — or provide employment services through Disability Employment Services and other programs and initiatives such as Community Hubs Program, community engagement and youth transition programs.

The diversity of programs and projects within settlement service providers is a great asset, as long as the objectives align. Employment programs often operate in isolation from each other and away from the conventional settlement services case management model. Overcoming silos necessitates a whole-of-organisation approach towards a common purpose.

### Engaging with employers

The most significant step towards participation through employment is engagement with employers. It requires different thinking, approaches, processes and skills to conventional settlement case management. First and foremost, settlement service providers should take steps to better understand the motivations, challenges, language and needs of employer groups. This must be undertaken with a view to developing long-term relationships with the employers.

Secondly, a formal sales process needs to be established and recommendations in this regard are detailed below in Section 4.2. Individuals as job candidates need to be developed to match the specific role requirements and specifications of the employer, thereby creating a job ready pool of refugees and vulnerable migrants. Most employer groups tend to be commercially operated companies with different drivers to the stakeholders that settlement service providers are most often used to dealing with. Understanding these drivers is an important part of engaging with employers to facilitate the economic participation of refugees and vulnerable migrants. There are two types of drivers: generic drivers that universally apply to most employers and those that are industry or employer specific. It is important to understand both.

#### 4.1.1. Generic drivers

Many of these drivers are familiar to settlement service providers operating as not-for-profit organisations. These include, but are not limited to:

- Reducing the cost of doing business Employee costs are typically the highest costs within businesses.
- Reducing staff turnover

High turnover results in costs associated with replacing staff (including recruitment, onboarding and training); lost productivity; and impact on customer service and the organisational culture.<sup>12</sup> to twice the annual salary of the employee, depending on the level and role.

- Attracting the right staff <sup>13</sup>
- Acting as good corporate citizens
  This driver is often imposed through selfregulation or corporate social responsibility.

While they are familiar to most, the combined impact of the drivers on employer staffing decisions need to be understood when engaging employers to accept the placement of refugees and vulnerable migrants.

#### 4.1.2. Industry specific drivers

Many drivers are not as easily identified, as they are often unique to the employers' business and are directly related to the forces influencing the employers' market or industry.<sup>14</sup> These include, but are not limited to:

- Competitors and the nature of competition in their market, as this determines the velocity of change within the employers' business
- Customers and the markets within which the employers compete
   It is important to understand the employers' customers as well as products and services that they offer.
- Industry specific staff turnover
  While staff turnover and retention is often discussed in national averages, the reality is that these are industry specific (for example, hospitality operates with an often transient workforce and staff turnover averages are higher, sitting at approximately 14.3 per cent)<sup>15</sup> and further influenced by factors such as location, demographic, role and more recently, the impact of COVID-19.<sup>16</sup>
- The regulatory environment and the impacts of regulatory frameworks under which employers operate, which differ from industry to industry
- Ownership structures These range from foreign owned, to an ASX public company, to private company, to family business, which can dramatically change the employers' priorities and key performance indicators.
- Pressures from employers' supply chains
- The impact of COVID-19 on the employers' businesses.

Industry specific drivers directly or indirectly impact on the employers' staffing and recruiting decisions. Analysing and understanding these and other drivers that may be present is an important step towards effectively engaging with employers.

#### 4.1.3. Employer pain points

Understanding employer drivers is important in being able to develop strong partnerships so that settlement service providers are able to engage and craft proposals that highlight value to employers. Another part of this process is the identification of their pain points. These are the challenges dealt with by employers that can potentially be solved through the placement of refugees and vulnerable migrants.

The pain points may be part of the drivers. Nonetheless, responding to them in the sales process will be key to successful placements and the development of long-term relationships with employers.

### 4.1.4. Employer workforce attraction and retention processes

Obtaining a deep and thorough understanding of employer recruitment processes, successes and failures is critical to effective engagement with employers.

#### 4.2. The sales process

The engagement process with employers begins (and ends) with the sales process. It is a skill and a process to be followed that seeks to understand the employer and gain an insight into their needs.

The introduction of sales processes and development of selling skills is a substantial change for many settlement service providers. The sales process is as follows:

#### 1. Sales planning

The identification of organisations that the settlement service provider could target in a sales campaign.

#### 2. Networking

The activities undertaken by executive management to develop new contacts, which is the primary method to open doors.

#### 3. Call plans

The execution of call plans by sales staff, which is the secondary method to open doors.

#### 4. The first meeting

Once a meeting is secured, the objective is to obtain a second meeting. The first meeting is critical in overcoming perceived barriers by those employers who have never hired refugees or vulnerable migrants before.<sup>17</sup> While obtaining the first meeting may be easy, it is gaining a second meeting with key influencers and decisionmakers that can be more challenging. The pitch of the value proposition is key in both meetings. It is important to walk away from the meeting both with the second appointment secured and with the understanding of the employer's key issues and how a formal proposal can be developed to address those issues, including pain points.

#### 5. The critical second meeting

This meeting is the chance to engage with those in the organisation who will influence the decision-making in relation to staffing and also presents an opportunity to gain further insights into employer needs.

#### 6. Proposal development

The second meeting should create an opportunity to develop and submit a proposal that is commercial in nature and speaks the language of the employer

#### 7. The follow-up

This is an opportunity to follow up on the proposal; answer questions; submit modifications, if needed; and, if required, deliver presentations.

#### 8. **Requesting the placement order**

If an order has not been received, ask for it!

Success may come in small steps, perhaps one or two refugees or vulnerable migrants placed as a test of the value created and a chance for the provider to develop cohorts of job ready pools of candidates.

Many employers who have successfully employed refugees and vulnerable migrants began their experience after attending a settlement service provider's event and walking away feeling inspired and wanting to take action.<sup>18</sup> Organising such activities may be a good door-opener to many employers. These events represent the opportunity to present a value proposition, showcase success and dispel myths and misconceptions. In a similar vein, gaining access to industry groups will provide opportunities to deliver the same messages to a wider group of employers, with the messaging tailored to the specific industry or market.

The employer guides produced by Friendly Nation Initiative and the Refugee and Migrant Services Advisory Council are helpful documents that can be distributed to employers at the early meetings.

### 4.2.1. Speaking the language of the employer

For many employers, their experience with not-forprofits is limited to charities or organisations that are seeking financial support in exchange for marketing and brand exposure. In 'selling' the value of refugee and vulnerable migrant placement, it is important that those involved in direct meetings can speak the language of business, ideally in commercial terms.

For example, terms such as 'surplus' and 'deficit' may be replaced with 'profit' and 'loss' in relevant contexts. It is imperative to develop these skills within settlement service provider organisations as part of the change management plan.

### 4.3. Alignment of job ready client pool to employer needs

The purpose of creating a job ready pool of candidates is to move away from, or limit, those case management activities that prepare individuals for employment but are generic in nature. Instead, there needs to be a shift towards activities that focus on developing candidates that are job ready on their first day with employers' organisations. These activities should be responsive to employer needs and are likely to vary from employer to employer.

The identification of those requirements is a direct output of the employer engagement activities detailed above, which serve to understand employers' needs. A more nuanced understanding of the business of employers will lead to longer term partnerships and a real value proposition.

The specifics of creating a job ready pool of candidates is detailed below in Section 5.

#### 4.4. Corporate Social Responsibility (CSR)

There is no correct way to practise corporate social responsibility (CSR). It is a mechanism for companies to become socially accountable and to positively contribute to the public good, the economy or environment. <sup>19</sup> Organisations are able to build mutually beneficial relationships by engaging with the communities and cultures in which they operate. CSR may also improve the reputation of an organisation in the eyes of consumers, investors and employees

For some sectors and industries, CSR is mandated within government contracts. Over recent years, this has moved past simple box ticking to hiring a specified number and type of employees, or donating funds or space to either social or environmental causes. For many employers, CSR activities are seen as delivering real business benefits through improved reputation and more efficient business processes.

While those employers who have hired refugees and vulnerable migrants see CSR as a key motivator, there remains a challenge of raising awareness in employers about the CSR benefit in in this regard.<sup>20</sup> Hiring newly arrived vulnerable migrants and refugees can deliver not only CSR benefits and compliance, but also real business benefits to employers. This needs to be crafted into a value proposition.

### 4.5. Developing a value proposition for refugee employment

The final enagement piece with employers is the development of a value proposition. This should be crafted using all the information gathered and insights gained through the employer engagement and sales activities. As previously discussed, the value proposition should be written in the language of the employer.

The value proposition takes the offer to the employer past typical transactional recruitment activities to demonstrate real business benefit. Such benefits are identified from an understanding of the employers' business and their pain points. The value proposition could include the following benefits to the workplace:<sup>21</sup>

- Delivering strong work ethic
- Embracing CSR and diversity
- Fostering innovation
- Addressing labour shortages.

The value proposition, however, must go beyond these benefits to include the services and capabilities of the settlement service provider to address the barriers to the employment of refugees and vulnerable migrants, including:

Development of job ready individuals (discussed in Section 5)

Post-placement support for workplace integration (discussed in Section 7).

Most importantly, the above business benefits aggregate to reduce staff turnover and, in turn, reduce costs to the employer as previously detailed in Section 4.1.

### Developing the pool of job ready clients

If doors can be opened, employer drivers understood, a value proposition developed and successfully pitched to employers, then preparing individuals is the next part of the process.

Today, many settlement service providers deliver — to varying degrees — employment support services to individuals with a focus on their employability. Some deliver extended employment support services to address the barriers. This section discusses what extended services might look like and addresses the customisation of job readiness activities to employer needs.

Some job readiness activities can be considered generic for all newly arrived vulnerable migrants and refugees in terms of their applicability to all individuals. Other activities are tailored to the needs of employers to produce the pool of job ready candidates. Generic job readiness activities delivered by most providers typically involve the following<sup>22</sup> :

- Individual assessment and review
- Assistance with writing resumes and cover letters
- Assistance with job applications
- Limited employment referrals
- Review of job search activities
- Assistance in obtaining a driver's licence.

However, as identified by research and employers alike, these activities should be extended to include more intensive generic support<sup>23</sup> that includes:

- Building cultural and social understanding of Australian workplaces
- Capacity building
- Detailed feedback and coaching
- Skills audit, qualifications recognition and professional accreditation.

The extended support activities are described below.

### 5.1.1. Building cultural and social understanding of Australian workplaces

A significant piece in ensuring individuals are job ready on their first day is awareness training and mentoring support regarding cultural and social awareness of the Australian workplace, or — to quote employers — 'the Australian way of doing things'.<sup>24</sup>

This could be viewed as cultural awareness training for employers in reverse, for refugees and vulnerable migrants. It assists in de-mystifying the workplace for individuals and is part of the change process as they enter the Australian workforce. Such programs can easily be produced in-house or sourced from external providers. They can be quite simple or more formal and extensive. Regardless, it is important that some form of cultural and social awareness training or mentoring is delivered to individuals prior to commencing in the role.

#### 5.1.2. Capacity building

There are a number of other challenges for newly arrived vulnerable migrants and refugees attempting to enter the Australian job market, including:

- Lacking confidence (some employers noted, 'they can be a bit shy about showing what their experience is')<sup>25</sup>
- Being uncomfortable with the interview process or the automated recruitment screening systems used by some employers
- Lacking an established network in the Australian market
- Being unfamiliar with pathways to sustainable, as opposed to casual, employment opportunities.

These can be addressed through capacity building activities — such as mock interviews and detailed coaching and mentoring, or formal training — to improve the individual's employability.

### 5.1.3. Detailed feedback and coaching in the pursuit of employment

An extension of capacity building is the review, feedback and support after failed job applications. The job seeking process for mainstream job seekers is often described as one that is long, frustrating and at times detrimental to a person's self-confidence, so for newly arrived refugees and vulnerable migrants, it can be even more damaging. It is important that there is a considerable level of support from settlement service providers and that the individual's confidence is maintained.

This level of support is particularly important for recent migrants who are competing in the mainstream employment marketplace on an application-byapplication basis.

#### 5.2. English language proficiency

One of the biggest barriers to employment outcomes is English language proficiency. Many providers rely on the Adult Migrant English Program (AMEP). As measures are taken to facilitate more flexibility within AMEP, there is an opportunity to provide more of a focus on individual needs matched to employer's needs.

For many roles, English language proficiency can be developed over time in the workplace.<sup>26</sup> Completing the entire English language program should not necessarily be a criterion for job readiness and, in itself, may be a barrier to job placement.

Exploring more soft-entry points to social environments that promote English language learning may assist refugees and vulnerable migrants in gaining greater English language proficiency.<sup>27</sup>

Employers have also identified the need to tailor English language training to specific industries.<sup>28</sup> They highlight the importance of the following abilities in English language faculty required for a workplace:

- Understanding instructions
- Understanding industry jargon and acronyms
- Communicating effectively in customer-facing roles
- Communicating in written form
- Participating in meetings.

### 5.3. Customising job readiness to employer needs

There is a great degree of variation in how job readiness is defined and measured across the settlement service providers. Some see job readiness as synonymous with English language ability, digital literacy skills, acculturation in Australia or the attainment of all settlement goals. Despite the impact of other settlement domains on readiness, job readiness should be viewed as 'how ready an individual is to engage in a specific prospective role or roles'. In particular, whether they possess the minimum on-the-job skills required to effectively perform in the role and contribute to the workplace. While measuring job readiness is difficult, at a basic level, it is achieved once minimum requirements for a role or industry, are met.

The conventional client job placement process as shown in Figure 1 prepares clients through a range of generic job readiness activities to join a candidate pool with mainstream job seekers, resulting in individuals competing in a space that acknowledges neither their unique barriers nor strengths, while possessing the job readiness skills that are not necessarily relevant or applicable to a potential employer.

While the generic activities are important and should be progressed, employers have emphasised that they are not enough to achieve success and prepare new employees to be ready on day one in a manner that is tailored to the business or industry.

Key to the value proposition and to opening doors to long-term refugee employment is customised job readiness activities and preparation of clients for the workplace. Successful job readiness will ensure continued partnerships with employers and strong economic participation outcomes for individuals.

Examples of customised pre-employment training include:

- Workplace health and safety (sometimes referred to as a White Card)
- Food handling and safety
- Aged and disability care
- Basic computer skills in MS Office products
- Various industrial courses (e.g. forklift operation)
- Australian workplace culture and norms
- English language.

These examples include both capacity building programs (as discussed above) and skills training programs. Capacity building programs (including English) can be delivered as pre-employment programs, with the difference being that preemployment training is customised to the employers' needs.

#### 5.3.1. Re-thinking qualifications

Strong relationships with employers will support settlement service providers to think differently about qualifications. Transferability of qualifications obtained overseas is a hurdle beyond the control of newly arrived migrant or refugee, the service provider and the employer. Employers should be encouraged to consider the real skills needed for the role rather than rely on traditional recruitment practices which are often qualifications-based.<sup>29</sup>

Job-shadowing, or supervision, by an Australian qualified equivalent employee and undertaking relevant skills training are some alternatives to qualification requirements.<sup>30</sup>

#### 5.3.2. Pre-employment training

Pre-employment training is key to the customisation of a job ready pool that meets employer and industry needs. It is considered crucial for employers in overcoming perceived barriers to employment of refugees and vulnerable migrants. Engaging with the employer in co-design or co-delivery, or both, demonstrates partnership and a unified goal.

Pre-employment training can be delivered in a variety of ways and does not necessarily need to be completed in-house. Settlement service providers operating social enterprises or RTOs can utilise these programs to deliver training. Alternatively, arrangements can be made with relevant external training providers. Employers themselves may have resources that can be explored for pre-employment training. There may also be online training options.

In the words of one employer, **'all training needs** to be linked to a real job and not just training for training sake'.<sup>31</sup>

### 5.3.3. Using social enterprises in an economic participation model

- Many providers operate social enterprises. By definition, they are standalone businesses, often quite commercial in nature but have a social purpose, such as:
- Contribution of a financial surplus to the parent non-for-profit organisation that, in turn, is used for reinvestment to develop the organisation's overall social purpose.
- The marketed product or service is in itself the social purpose, such as professional services to vulnerable groups.
- Employment-centric purpose.
- Combination of all or some of the above.

Social enterprises are challenging as they must compete against mainstream commercial businesses. For example, a consumer is not going to buy a poorly prepared meal or accept bad service just because it is a social enterprise. Further, the board and executive management are continually looking for a financial return on investment that is often difficult to achieve in the social enterprise model.

In the context of employing refugees and vulnerable migrants, an employment-centric social enterprise model can deliver the following outcomes:

- 1. Direct employment of refugees
- 2. Employment of refugees and vulnerable migrants to gain valuable experience, with the model of the operation aligned to training and accreditation through an RTO
- 3. A combination of the two.

The model needs to move staff through the social enterprise quickly to be able to deliver employment outcomes on a continuous basis. Importantly, an employment-centric social enterprise model is inherently more expensive to operate compared to its commercial competitor and not-for-profit organisations have to make decisions on prioritising either the financial return or the social purpose of employment.

# Business start-ups for refugees and vulnerable migrants

Many refugees and vulnerable migrants, particularly in recent years, have expressed a desire and motivation to start their own business. Many are entrepreneurial and are not afraid of the hard work and commitment required to start their own business.

The considerations that support the case for some refugees starting their own business in Australia are as follows:

- Many operated their own business in their country of origin and express a strong desire to do the same in Australia.
- Many refugees and vulnerable migrants are entrepreneurial and are not afraid of the hard work and commitment required to start their own business.<sup>32</sup>
- This path represents, for many refugees and vulnerable migrants, an alternative to low skilled work, particularly when they are unable to work in the profession due to lack of qualifications recognition or professional accreditation barriers.
- It presents good opportunities for women.<sup>33</sup>

- Online retail
- Mobile businesses
- Pop-up stores
- Various home-based businesses.

There have been some successful cases but also many start-ups that have failed, resulting in devasting outcomes for the individual. It is therefore important that the proper support be provided to mitigate highrisk prospects of failure.

This Guide seeks to highlight only the key issues.

#### 6.1. Business start-up risks

It is important that business start-up risks are understood, at least broadly. This Guide discusses risks in two parts: (1) inherent risks associated with any business start-up and (2) those risks that specifically pertain to refugees.

#### 6.1.1. Inherent business start-up risks

• Finance

Even the smallest, most simple business startup requires cash for the establishment of the business and funding of the initial working capital. For business acquisition, the finance will likely be considerable and beyond the means of most newly arrived refugees.

- Poor advice or no advice obtained
  Proper advice is needed on a range of aspects, including the business structure, taxes, leases, agreements and contracts.
  - Basic understanding of finance Without attention to finances, particularly in the first two years, the business could be under threat of closure without ever reaching its full potential. A basic understanding of profit and loss, balance sheets and cash flow is critical for all start-ups.

#### Poor or no due diligence

Entering a business without some form of analysis of the market, including competition and market potential, is dangerous. This is particularly important when acquiring a business and is often examined through a detailed business plan.

#### Loss of focus and enthusiasm

For many business owners, the loneliness, continued challenges and often 24/7 attention needed causes the initial enthusiasm to diminish resulting in the owner being absent from the business or the loss of motivation and drive to move forward.

#### • Partnerships

If a partnership arrangement is chosen, then it requires all partners to maintain the same enthusiasm, alignment to goals, objectives and purpose, and the same equity in terms of participation for the life of the business.

Life

Unexpected life challenges and opportunities may arise, taking priority over the business.

### 6.1.2. Business start-up risks for refugees and vulnerable migrants

Starting up a new business is already challenging, as discussed above, but even more difficult for recent refugees and vulnerable migrants due to the additional risks:

- Taking poor advice from persons not familiar with the Australian regulatory environment
- Access to finance with no history or credit rating
- No knowledge of Australian registration processes for business start-ups (e.g. through Australian Securities & Investments Commission [ASIC])
- Lack of understanding of Australian markets which they wish to enter and compete in (with assumptions based on equivalent markets in their home country).

There are numerous services that provide business start-up advice, including those operated by settlement service providers and the Australian Tax Office (ATO). These are usually provided through training and cover the following areas:

- Development of a business plan
- Business structure
- Basic tax obligations (such as business activity statements and limited tax advice)
- Small business information technology
- Marketing (including brand and website design)
- Accounting and accounting systems (such as Xero and MYOB)
- Risk management
- Finance.

Even when a training program is selected, individuals should be coached through the process of business start-up from end to end and not simply signed up for a program. Many people who start up a business have access to particular expertise from within their network so not all individuals in the program have the same level of need. Some start-ups do not easily tailor to the program requirements, and this can cause people to exit from the program, overlooking some of the other benefits that could be gained through the full program. This necessitates a needs assessment to ensure that the correct program — or rather a tailored program involving elements of training, business mentoring and coaching —is developed and provided by the settlement service provider.

It is during this phase that the individual's true motivations, drive and desire to start their own business are identified, in addition to determining the viability of the business, before any hard commitments are made by the individual.

#### 6.3. Post business start-up phase

Assisting the client during the start-up phase is only stage one. The critical period is the first two financial years following the start, after which the start-up cash benefits from the business activity statement are expended and the full extent of tax obligations is understood.

Most small businesses fail within the two financial years post start-up, so it is critical that mentoring is provided during this time. However, most programs that provide business start-up support end right when the critical period commences. This presents both a challenge and an opportunity for settlement service providers. The best way is to provide this support is to engage local business people, ideally within the industry that the individual is operating in, to provide business mentoring. Business mentors are often a good connection to facilitate access to finance for the individual through their own networks and connections.

It is usually beyond the ability of a settlement service providers to deliver such mentoring but engaging with business mentors helps to develop a strong network of support.

For many settlement service providers, start-up support for refugees and vulnerable migrants substantially stretches their capacity and, while this Guide provides some insights, providers who are not confident in capacity should reach out to potential partners who could help.

### (7)

### Workplace integration: making it stick

Post placement, employers are looking for support to successfully integrate refugees and vulnerable migrants into their workplaces. This represents an opportunity for settlement service providers to advance long term relationships with employers. Engaging with and supporting employers post placement ensures that employment outcomes are sustainable and retention is high.

A primary function of the settlement service provider in working with the employer towards workplace integration is to assist to resolve issues when they arise in the workplace. This section discusses the challenges to workplace integration; best practices for workplace integration of refugees and vulnerable migrants, as identified by employers; and engaging the community in support of workplace integration.

This new role of settlement service providers in supporting workplace integration will vary from employer to employer depending on their size and internal resources (for example, small and medium-sized enterprises (SMEs) will likely require a greater level of assistance from settlement service providers than large enterprises). Settlement service providers should encourage employers to review the available guides and incorporated case studies:

- Friendly Nation Initiative, <u>Australian Employers'</u> <u>Guide to Hiring Refugees</u>
- Australian Government Department of Home Affairs, The Refugee and Migrant Services Council, <u>An Employer's Guide to Working with</u> <u>Refugees</u>

### 7.2. Workplace challenges for refugee and vulnerable migrant integration

There are many workplace integration issues that need to be considered and addressed. It is important that settlement service providers understand and identify workplace challenges and are able to quickly assist as required.

The more challenging issues<sup>34</sup> include:

- Communication issues that are mistaken for productivity issues
- Resistance in organisations that are under time pressures, understaffed or are in high pressure/ high velocity markets
- Resistance to a diverse workplace, bias and lack of acceptance of ethnically diverse co-workers
- Lack of accommodation of religious beliefs.

However, employers can overcome these barriers and challenges through the adoption of best practice workplace integration but need support from settlement service providers who are viewed as experts in understanding cultural considerations and how best to support cohorts of recently settled refugees and vulnerable migrants.

### 7.3. Best practice workplace integration for refugees and vulnerable migrants

Employers who successfully integrate refugees into the workplace have cited three areas<sup>35</sup> of best practice:

- 1. Creating a workplace conducive to integration
- 2. Preparing and training staff
- 3. Providing ongoing training and support for refugees.

Settlement service providers can play a key role in supporting employers in all three of the areas as described below. Settlement service providers who have vested interest in the employers' outcomes and work closely with them will be more successful.

### 7.3.1. Creating an employer workplace conducive to integration

Initiatives in creating a workplace conducive to integration include<sup>36</sup>:

- Establishing support from the leaders and key staff within the organisation
- Appointing a senior champion to drive the change
- Formalising staff policies, procedures and programs in regards to onboarding to ensure that managers, staff and supervisors maintain contact with the hired refugees and vulnerable migrants, and that the individuals feel included
- Establishing mentoring or buddy systems with 'someone safe' within the workplace, which can be achieved through a pool of volunteers
- Creating opportunities for socialising and networking
- Supporting an inclusive workplace culture to make refugees and vulnerable migrants feel like they are part of the team
- Making use of the English language in the workplace compulsory.

Initiatives for preparing employers' staff include:

Delivering leadership training that provides supervisors of the hired refugees and vulnerable migrants with information on coaching, providing feedback and support Delivering cultural awareness training for staff Delivering staff training on effective communication Setting realistic expectations for productivity with supervisors of the hired refugees and vulnerable migrants Delivering staff education on trauma.

## 7.3.3. Providing ongoing training and support for refugees and vulnerable migrants

Many job readiness activities continue post placement, such as ongoing English language training (as discussed in Section 5.2, for many roles, English language proficiency can be developed over time within the workplace<sup>37</sup>; cultural awareness training (customised to the organisation); and understanding of Australian work requirements and rights. Much of this will conducted by the employer but there is considerable scope for the settlement service provider to assist.

This aspect of best practice also includes career pathways. Once a refugee or a vulnerable migrant has overcome the challenges of finding their first job, they will then be able to progress to other roles ideally within the first employer's organisation.

#### 7.4. Engaging communities for support

Local communities to which refugees and vulnerable migrants belong play an important role in supporting workplace integration, in addition to providing assistance by solving problems when they arise. Workplaces should become communities, demonstrating diversity and inclusion for all in their workforce.

The leadership of settlement service providers is critical in developing this role of the communities and connections to employers.

### Conclusion

Employment plays a vital role in refugees and vulnerable migrants becoming self-reliant and building a future for themselves and their families. Along with economic security, a stable job creates feelings of belonging, being valued and recognised as an individual. Recently settled refugees and vulnerable migrants are proud to contribute to the society that has given them freedom and safety.<sup>38</sup>

Bringing the worlds of settlement service providers and employers closer together, developing a unified goal and collectively bridging historical gaps and barriers to employment for newly arrived individuals, will lead to sustainable employment outcomes and a greater success in the economic participation of refugees and vulnerable migrants.

### Annex - Employment Focus and Alignment Gap Analysis

The analysis is designed to give boards and management committees a quick overview of the extent of the change process, through a traffic-lights system. A more detailed analysis can be completed once the resolve for change is firm and more substantial planning has commenced.

When undertaking the analysis, boards and management committees should use the key below to select the status that best matches the organisation's progress towards each statement of intent.

#### Key -

- Green: The statement matches the organisation's current state
- Amber: The organisation does not or partly matches the statement or has started a change process and is making progress towards the statement
- Red: The organisation does not match the statement to any degree and there has been no shift towards matching the statement

The overall result of the analysis will help the board understand the extent of the change, identify the key issues and areas for change needed, and plan accordingly.

Governance	Green	Amber	Red
The stated social purpose is aligned to participation through employment as the organisation's core defining characteristic			
The board or management committee is in agreement on the organisation's purpose being participation through employment			

#### Strategic Plan

The strategic plan includes vision or strategic intent that presents a clear picture for the end state of achieving participation through employment		
Up to six key initiatives have been identified that, once executed, will achieve the end vision state		

#### **Organisational Structure**

The structure of the organisation is one that breaks down barriers and will facilitate the organisation achieving participation through employment

#### Sales Skills

Relevant staff has been identified as having the skills to open doors and 'sell' the new value proposition to employer groups

#### **Change Management**

Ownership of the change process has been assigned to a senior leader within the organisation		
A change plan has been developed to shift the organisation to the new purpose		
A communication plan has been developed that, while acknowledging the past, inspired all staff to achieve the end state vision		

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