

2.06 T & G EMERGING LEADERS SKILLS PATHWAY

PGF Application – TE ARA MAHI		For Approval	
Applicant:	T & G Global Limited	Pipedrive ID #	Commercial
Region	Hawkes Bay	PGF Funding Sought:	\$557,500
Region detail:	Hastings	Total Project Value:	Commercial Inform
		Applicant co-funding:	Commercial Inform
Entity Type:	Company	Funding Structure:	Grant
Entity Detail:	Established in 1897, T & G is one of New Zealand's largest growing, packing, shipping and marketing fresh produce companies. T & G's Hawkes Bay operations include farming over 800 ha of apple orchards and operating two significant postharvest facilities (packhouses and coolstores).		
We recommend that the SROs:			
a) Approve \$557,500 from the Te Ara Mahi portion of the Provincial Growth Fund towards the T & G Emerging Leaders Skills Pathway programme in Hawkes Bay which has a total project value of \$ Commercial Inform.			
b) Note that at least Commercial Inform new jobs are expected to be created/made available by this TAM investment over the two years of funding. Commercial Inform in leadership roles and Commercial Inform in entry level positions.			
c) Note that Commercial Information will receive leadership and front-line training, moving them into higher paid supervisory team leader roles as a result of this skills investment.			
d) Note that, in addition up to Commercial Inform more new additional positions will be become available over the next Commercial Inform Commercial Information			
e) Note the applicant seeks TAM support Commercial Information to pilot the programme in Hawkes Bay.			
f) Commercial Information			
g) Note that the funding requested for the Hawkes Bay programme covers: <ul style="list-style-type: none"> - the cost of employing a Learning and Development professional to design the new programme for two years who will develop the programme's curriculum and lead in its deliver; and - programme delivery costs including employee NZQA registration, delivery of expert training and other associated costs for the upskilling of at least Commercial Inform T&G employees; - Commercial Inform staff to coordinate the programme. 			

h) Note that T&G's contribution to the project includes:

- a ^{Comme} FTE solely allocated to the programme in addition to other Hawkes Bay HR staff providing support as required;
- the significant investment made by the applicant in learning and development time for trainees to be absent from their work-sites to be engaged in training and mentoring;
- ongoing financial commitment from T&G to roll out the programme to other sites in Northland and Nelson;
- project management and governance support; and
- access to equipment and tools required for the programme delivery.

i) Note that this proposal is strongly supported by the Hawkes regional governance group (Matariki), MPI, MSD, and supporting comments have been given by TPK and local iwi.

Proposal:

This initiative's purpose is to build and nurture the front-line leadership capability and capacity of T&G's horticulture workers. It distinguishes itself from others skills and development investments for the following reasons:

- **Level:** the programme's focus on leadership training and development at the non-entry level;
- **Ambition:** the ambitious target of training a minimum of 100 leaders which will deliver a step-change to the Hawkes Bay labour market by responding to the industry wide skills gap in the horticulture sector where there are insufficient workers with front-line supervisory skills; and
- **Sustainability:** T&G has committed to rolling the programme out to Northland and Nelson without further government support where it has other horticultural operations.

Funding Detail

TAM funding will be used to:

- Contract ^{Com} full time Learning and Development (L & D) specialist for two years to work with the T&G HR team;
- Design and develop a bespoke learning programme which will be used to develop front-line staff; and
- Provision of the technology required to deliver the programme within the field as required.

T&G requests government support on behalf of industry to progress this type of initiative to get it to the size and scale proposed in this application quickly. T&G acknowledges that participants will be able to have sustainable careers across the industry as a result of this investment.

Outcomes Sought

Outcomes from the funding will result in:

- **At least** ^{Co} **T & G employees upskilled with leadership and supervisory** skills who, as a result of their training, will be able to effectively direct and lead teams;
- ^{Comin} **new employment outcomes created over two years;**
- **At least** ^{Commerc} **employment outcomes** created **Commercial Information**
- The incorporation of a "Train the Trainer" element into the programme which will build internal capability so that the programme can be delivered beyond TAM's involvement.

Wider Benefits

Making this investment and increasing employee engagement will improve T&G's bottom-line by lifting production and improving efficiencies. There are also wider benefits. These include:

- By unlocking the talent pool of its own employees through this investment this programme will deliver returns in the region's human capital;
- The programme will enable workers who supervise teams (or have the potential to do so) to reach their full potential by progressing in their careers into leadership positions and accessing higher wages; and
- New entry level employment opportunities will be created as participants in the leadership programme advance. This is expected to create at least ^{Comm} new jobs over 2 years.

	Response	PDU (TAM) Statement regarding achievability of target
Number of people expected to be targeted by the project/activity annually (on average):	At least ^{Comm} current employees and at least ^{Comm} new employees	This is achievable given the support provided by T&G to the project and within the context of skills and labour shortages in the horticulture industry.
Number of people expected to attain employment as a result of the project/activity annually (on average):	^{Comm} – with a commitment to employing new permanent full-time roles at the end of the project. A further ^{Comm} will move into ^{Commercial Int} supervisory roles.	Through the upskilling of staff through this initiative will: <ul style="list-style-type: none"> - enable it to scale-up the number of entry level permanent jobs - increase the wages and career progression of the targeted staff on the leadership course

Assessment against the PGF criteria:

Eligibility Criteria

This application is eligible for PGF funding.

Productivity Potential

The project will:

- Improve employability and upskilling of local people in Hawkes Bay;
- Contribute to sustainable regional growth in Hawkes Bay; and
- In the medium-long term, lift skills and productivity in two other regions in the medium-long term, namely Northland and Nelson

Policy objectives

This project aligns with Te Ara Mahi principles by supporting people on different parts of the entire employment pathway and uplifting them into sustained employment in a surge region. Specifically:

- it supports people who have a job but may not be reaching their full potential and could be up-skilled with some targeted support;
- people who don't currently have a job, so they can enter into and sustain employment; and
- targeted support for an employer (and an industry) who is upskilling local people which will create

sustainable employment opportunities.		
PGF Criteria	Assessment Commentary	Rating (0✓ to 5✓)
Link with fund and government outcomes		
Aligns with relevant regional economic and employment plans and priorities, including any Māori development plans	<ul style="list-style-type: none"> • “Improving pathways to and through employment” is a key pillar of the Matariki Hawkes Bay REDS – and this programme enables progression <i>through</i> employment as well as freeing up entry-level roles for others to access employment. • The ethnicity of the target group is representative of the local Hawkes Bay population, including proven experience in supporting the career progression of Māori as part of its workforce. • It is noted that approximately 30% of the target group are ex WINZ beneficiaries and 16% are solo parents. 	✓✓
Demonstrates potential to meet the current or future labour market skill needs of the region, including those resulting from PGF Tier 2 and 3 investments	<ul style="list-style-type: none"> • Horticulture is a key growth sector within the region with exports expected to increase exponentially in coming years. While MSD is working to meet the entry-level skill needs in the industry – this programme seeks to address the skills gap at the next level and in doing so – providing a career pathway through to high-skilled and high-paid jobs. 	✓✓
Reduces the rates of people not in employment, education and training, with an emphasis on Māori	<ul style="list-style-type: none"> • By progressing participants through into higher-skilled, <small>Commercial Information</small> leadership roles – this creates the space for more people to access the entry-level roles in permanent, full-time roles in the industry. 	✓✓
Increases local employment and earning potential, by supporting local people into local jobs, with an emphasis on sustainable employment outcomes	<ul style="list-style-type: none"> • T&G have invested significantly in local labour and shown a commitment to providing permanent opportunities to locals as a priority. This will continue as the earning potential of current permanent employees increases through the programme. 	✓✓
Additionality – adds value by building on what is already there		
Addresses a gap in current service provision e.g. does not cover activities that are already funded for (unless funding is to up-scale or re-start, existing projects)	<ul style="list-style-type: none"> • There is no existing fit-for-purpose leadership programme within the Hawkes Bay horticulture sector that we are aware of – and as such no talent pipeline for people progressing through the industry. • This programme provides that support by recognizing the urgent need for skilled horticultural staff (acknowledging that participants will, in due 	✓✓

	course, likely move beyond T&G in the course of their careers) while providing a real step change in the employment outcomes for participants.	
Demonstrates why third party funding, including other government agencies, cannot be used to address the current gap in service provision	<ul style="list-style-type: none"> MSD are involved in supporting entry level roles through their SEED programme – and this initiative complements that with the next step in the pipeline. It meets a key outcome for Te Ara Mahi funding, namely to support people who have a job but may not be reaching their full potential. 	✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<ul style="list-style-type: none"> The applicant's project aligns well to the objectives of the region's economic action plan (Matariki), specifically the objective of improving pathways to and through employment. 	✓✓
Support from local employers, central and local government, and governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> Support letters has been provided from <small>Commercial Information</small> as well as MSD. Iwi are also supportive in general of the project. This application is fully endorsed by the Matariki Hawkes Bay Regional Economic Development Strategy sub-group which drives the implementation of the region's skills and employment engagement (see below for comments) It is also supported by iwi representative group (<small>Comm</small> <small>Commercial Information</small>) and key industry players (e.g. <small>Commercial Information</small>). 	✓✓
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> T&G are a well-established business with expertise in place in both Hawkes Bay and Auckland to support the delivery of this initiative. Members of their leadership team will be part of a steering group to lead and govern the project and its delivery. 	✓✓
Demonstrates the capacity and technical capabilities to effectively implement the initiative	<ul style="list-style-type: none"> T&G have experience in supporting their employees through a pathway – albeit at entry level through various initiatives. They will be sourcing expertise in programme development and delivery while building the capacity within their organisation to continue the programme once funding ends. 	
Risk management approach	<ul style="list-style-type: none"> An appropriate risk management approach for this proposal has been identified. 	✓✓

Future ownership / operational management	<ul style="list-style-type: none"> Not applicable / T&G have a robust management structure in place. 	✓✓
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Funding Arrangements

Appropriate milestones and deliverables will be put in place with regular monitoring with payments made at appropriate time frames. It is expected that the initial payment will be for project initiation costs.

Due Diligence and Ownership

Due Diligence has been undertaken. No key findings were identified or areas for further Due Diligence. Commercial Information

Commercial Information

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Shareholders:

Shareholder	% Commercial Information
BayWa Aktiengesellschaft (Germany)	
Wo Yang Limited (Hong Kong)	
Commercial Information	
Commercial Information	
Commercial Information	
Commercial Information	
Commercial Information	

Directors:

- Carol Anne Campbell; Andreas Helber; Robert James Hewett; Mau Wah Liu; Klaus Josef Lutz; Ralf Tobias Priske; Gareth Edgecombe (CEO); Peter Landon-Lane (COO); Bastian von Streit (CFO).

Key Management Personnel:

- Gareth Edgecombe, Chief Executive Officer
- Heather Kean, Head of People and Culture
- Sarah Friis, Head of Culture
- Anna Fraser, Head of Change, Capability and Internal Communications
- Kristen Nash, Head of Labour Management
- Bruce Beaton, Head of Operations, Apples
- Maurice Windle, Orchard Labour Manager

Risk Assessment

The key risks to the PDU and proposed mitigations of this investment are as follows:

Type of risk	Risk description	Mitigations	Risk Rating L/M/H
Reputation	This initiative fails to achieve outcomes due to reasons such as low participation rates and/or completion rates, causing a flow on reputational risk to the PDU	<ul style="list-style-type: none"> Ensure application has clear and feasible mitigations in place to address these risks and ensure outcomes are achieved 	Low

Consultation undertaken or implications:

The EOI for this initiative has been to the Matariki Skills and Employment sub-group who provided the following feedback:

- *This programme addresses under employment as well as creates space for entry level positions e.g as existing staff move into leadership roles their positions become vacant thereby creating space for SEED graduates or others to enter the business. As an RSE employer T&G have invested significantly in local labour and shown a commitment to providing opportunities to locals as a priority. This application is supported by MPI and MSD and has the potential to extend to their other sites in Nelson and Northland. T&G have produced credible results in their existing contracts with MSD. Linking NZQA recognised qualification would be an added value to this programme.*

TPK have provided feedback on the application as follows:

- *Overall, the project looks good. We acknowledge that the applicant has a local workforce strategy in place, and has explicit consideration of Māori. We note that Māori feature in the target group at a level that represents the ethnicity makeup of the region (i.e. 27%). We also acknowledge the opportunity to create an employment pathway for rangatahi in the produce industry that has growth potential beyond 'picking and packing' and into leadership in the industry – i.e. being able to have a career without having to leave the rohe. With the additional consideration of Māori and equity of opportunity, we would support the application.*

Te Kahui Ohanga – the representative group of Hawkes Bay iwi/hapu have given the following feedback:

- *We are generally supportive of the approach as there is good data to demonstrate pathway opportunities for Hawkes Bay and Māori in existing industry to progress towards leadership roles. There is potential for Māori specific targets and would encourage at least Commercial Information cohort to be Māori. The training/qualifications are transferable for participants and evidence demonstrates increased options in leadership pathways and access to higher paying income. We would also encourage learnings to be recorded and shared to be able to understand the model to enable potential replication across sectors in Hawkes Bay.*

Supporting proposal:	Yes
Appendices:	Yes – Application and supporting letters
Author of paper:	Cameron Osmond, Rani Morunga

PROACTIVELY RELEASED