



FAN Cadetship

Cadetship: Cadetships combine employment and tertiary study or formal on-the-job training but are not tied to a government-led framework and are negotiated between an employer and employee.

Support Resources

- [FAN Legal Considerations](#)
- [Youth Training Funding Support](#)
- [FAN Planning Tool](#)
- [FAN Job Description Template](#)
- [FAN Select](#)
- [FAN Interview Template](#)
- [Reference Check Template](#)
- [FAN Cadet Salary Sample](#)
- [FAN Cadetship Contract Sample](#)
- [Return of Service Agreement](#)
- [Letter of Offer \(with trial period\)](#)
- [FAN Induction Checklist](#)
- [FAN Mentoring Tips](#)
- [FAN On-the-job Training Tool](#)
- [FAN Contacts](#)

Background

Due to the flexibility of a cadetship there are many ways it can be structured with specific terms negotiated between the employer and cadet. Some examples are:

Example 1 (Part-time work + Tertiary Study)

- *Cadet works 25 hours work/week during term time and full-time during the holidays*
- *Can arrange to take final year off work to complete the study more quickly.*
- *Cadet starts on Minimum wage¹ with pay increases attached to evidence of passing agreed criteria (e.g. papers, modules, unit standards) or is reviewed every six months, taking grades and on-the-job performance into account.*

¹ Current Minimum Wage rates can be found on the Employment New Zealand website at <https://www.employment.govt.nz/hours-and-wages/pay/minimum-wage/minimum-wage-rates/>

Example 2 (Seasonal work + Tertiary study)

- *Cadet works full-time during peak season and studies during the off-season with Cadet receiving Minimum Hours pay as a retainer or works minimum hours as stipulated in the employment agreement.*
- *Cadet starts on Minimum wage as above with pay increases attached to evidence of passing agreed criteria (e.g. papers, modules, unit standards) or is reviewed every six months, taking grades and on-the-job performance into account.*

Example 3 (Full-time work + On-the-job training)

- *Cadet works full-time while receiving structured on-the-job training that may or may not be supported by external learning (e.g. correspondence course).*
- *Employer presets criteria for when the Cadet is deemed to be 'qualified'.*
- *Employer sets start-off wage with pay increases attached to specific performance outcomes or on a regular 6-monthly or annual basis.*

How do I go about it?

Plan

Select

Induct

Mentor

Evaluate

Communicate

PLAN

- **What do you want for your business?** Is your aim to help someone gain the skills they need to meet the current needs of your business or the future needs of your business? Do you want someone to fill a particular role in the immediate term or is your intention to have them work their way up through the ranks - even to potentially take over your business one day? Thinking about this at the outset will help you with your future decision making
- **Identify what you can offer and who you need.** The [FAN Planning Tool](#) and [FAN Job Description Template](#) may be useful in helping you establish this. Remember when writing a Cadet Job Description that expectations for tasks, skills, knowledge and abilities required for the job should be for someone in-training, not someone fully qualified. *If you do not already have an established position to work from it may be easier to first write a job description for what you would expect from a fully qualified person and amend it for a Cadet.*
- **How many hours will the Cadet be required to work?** Allow for enough work hours to meet employer needs and enough study hours to enable the

cadet to fulfil off-the-job training requirements. Some course requirements may have minimum on-the-job hours attached to the qualification. Check with the provider before signing up.

- **How will training be conducted?** Cadetship training can be 1) done fully on-the-job with specific training plans and outcomes, 2) a mixture of on-job and off-job training through a training provider (hereafter generically referred to as a tertiary provider) or completely through a tertiary provider. *Unless all training is to be conducted on-the-job, there is a variety of qualification formats that a Cadetship can be structured around such as courses that can be studied part-time, by correspondence, in modules or in block courses. Your Industry Training Organisation (ITO) or tertiary provider can suggest appropriate qualifications for your sector. See [FAN Contacts](#).*
- **Who pays for what** is up to you and the Cadet to negotiate. Options may include:
 - *Employer pays 100% course costs and tools. Course fees can be paid upfront by the employer or reimbursed by the employer upon evidence of passing agreed upon criteria (e.g. papers, modules, unit standards).*
 - *Employer pays 100% course costs, Cadet pays for tools.*
 - *Employer and Cadet share costs.*
- **Remuneration:** When deciding how much to pay a Cadet, in addition to considerations that apply to all employees (e.g. benefits), factors to bear in mind include; how long it will take to get qualified, the cost of training and tools, the industry and level of job being trained for and what you pay your other employees. Furthermore, if your Cadet is receiving a student allowance it will be affected if they earn over a certain amount in any week. See <https://www.studylink.govt.nz/in-study/income/how-income-affects-student-allowance.html> for more information. *A good rule of thumb is that if training costs are relatively low and/or training will take a long period of time (i.e. several years) a higher pay rate should be offered than when training costs are high and/or the training period is short. A Cadet will often start on a starting/training salary for a specified time with salary increases incrementally as the Cadet becomes increasingly qualified. (see [FAN Cadetship Contract Sample](#) and [FAN Cadet Salary Sample](#) for examples).*
- **Trial Period:** A 90 day trial period can be negotiated with the cadet, if the cadet is new to your organisation, to ensure you have made a good selection decision. For more see www.employment.govt.nz/starting-employment/trial-and-probationary-periods/trial-periods/). *N.b.: it is not permissible to offer someone a trial period in an employment agreement if a casual paid trial period, no matter how short, has been conducted before the formal employment relationship has been established. Furthermore the 90-day trial clause can not be used to trial a cadetship programme – if you find you need to make adjustments to the programme it is necessary to renegotiate the terms of the cadetship, not use it as a reason to end the employment relationship.*
- **If you are a first-time employer** read the Ministry of Business, Innovation and Employment’s information about employer rights and obligations: www.employment.govt.nz/starting-employment/rights-and-responsibilities/.

- **Retention Strategies:** Many employers are concerned they will spend time and money training a Cadet only to have them leave. **To safeguard yourself from losing money on your training investment**, should the Cadet fail to complete the qualification or leave your employ soon after qualifying, you could consider building into the employment contract a training bond or 'return of service' agreement whereby if a young person leaves the company within a certain period of time they are required to reimburse the costs of some or all of their training (see the [FAN Sample Cadet Employment Agreement](#) and [Return of Service Agreement](#) for an example). **To encourage skilled and talented employees to stay in your workplace** you can:
 - Create company policies that support long-term retention e.g. Leave-without-pay policies enabling employees to go on a one or two-year, O.E. leaving their job open to return to, or continued training and development policies to ensure the employee is continually being challenged and developed.
 - Have regular (e.g. annual) career conversations with your employee to determine what they want from their career and life. If they have potential to climb the company ladder have a clear career path for them to aspire to and inform them of what they need to do to get there.
 - If you can't offer short-term career progression in your own company, support your employee's career development in other companies with the communicated intention of wanting to hire them back in the future. *While this may seem counter-intuitive, if you have enjoyed a positive employment relationship with an employee, supporting their professional development in another workplace enables them to gain knowledge, skills and experience that can be of future benefit to your business.*

SELECT (when recruiting outside the organisation)

- Offering a young person unpaid [Work Experience](#) through secondary schools or tertiary providers is an excellent way of identifying potential talent for your business and may be worth considering before offering immediate employment. Alternatively you can directly offer your Cadetship Opportunity through [FAN Contacts](#).
- **If you are a first-time employer**, the MBIE 'How to hire guide' provides a comprehensive section on selection. Download it from www.employment.govt.nz/starting-employment/hiring/.
- **See FAN Select** for tips around selecting young people. If your plan is to keep the potential cadet in your business for the long term, include interview questions about their long term goals to see how that could fit with your business strategy (see [Retention Strategies](#) above for suggestions).
- **When recruiting unknown candidates** - shortlist up to 5 applicants for interviewing according to best matches to your job description criteria. You may find the [FAN Interview Template](#) and [FAN Reference Check Template](#) useful. The 'best'

candidate on paper may not necessarily be the 'best' in person so give yourself reasonable choice. Note: You are not obliged to hire any of the candidates if they are not a good match – in this instance go back to the planning stage and re-examine your criteria and offer before you cast the net again.

- **Negotiate terms and conditions.** Once you have selected your preferred candidate you can negotiate the terms and conditions of the job. It is a legal requirement that all employees MUST have a written employment agreement which can be drawn up through an employment lawyer or created using the MBIE's free online employment agreement builder www.employment.govt.nz/starting-employment/employment-agreements/. If in doubt, seek legal advice. Up-to-date information about employment legislation and minimum employment rights and obligations can be found at www.mbie.govt.nz .

INDUCT (if the cadet is new to your workplace)

- **Introduce the cadet to their workplace.** Include a tour of the workplace and introductions to staff and their allocated mentor. Explain about the company, its clients, philosophies, at work behavioural expectations (phone/internet use), breaks, format/itinerary of experience, Health & Safety considerations. *In the Health & Safety briefing include (where appropriate) emergency exits, procedures and equipment, highlighting hazards, safe approaches to tasks, first aid, personal protective equipment and procedures for reporting an accident.*
- **Treat your cadet as you would any other employee** – their dress, behaviour and issues around privacy/confidentiality must be adhered to. Be specific (and realistic) about your expectations
- **Be mindful of the cadet's inexperience** - they are likely to require more supervision, guidance and instruction than your permanent employees.
- **Get your existing staff on board.** Remind them that starting a new job is stressful and that they play a critical role in the integration process. Encourage staff to interact with and include the cadet on a formal and informal basis to increase knowledge hand-over and reduce social isolation. Emphasise that adjusting into a new organisation is a learning process, encourage them to show understanding when the cadet makes political or minor performance mistakes and ensure there are essential procedures in place for this to happen e.g. daily/weekly catch-ups, meeting participation, etc.
- **See FAN Induction Checklist** for a useful induction tool.

MENTOR

- **Assign an appropriate mentor to the cadet** and outline expectations of their role, *e.g. whether they be responsible for the cadet as a supervisor and allocate their tasks and monitor performance or more a buddy who they can go to with general questions and who will help them fit in to the workplace socially.*

- **Have conversations about the cadet's off-the-job training** and how it could apply on-the-job. Share your experience to build on what the cadet is learning.
- **Give the cadet opportunities to share their learning with other** staff members. This not only reinforces their learning but can have the flow-on effect of informal training for your other staff.
- **Provide on-the-job opportunities for the cadet to put theory into practice.**
- **Think about how you train on-the-job.** Break the tasks down step-by-step, explain, demonstrate, check for understanding, give them an opportunity to put it into practice and evaluate. The FAN On-the-job Training Template may be useful for staff tasked with training the cadet.
- **See FAN Mentoring Tips** for more

EVALUATE

- **Regularly evaluate the cadet's progress and performance** and provide constructive feedback.

COMMUNICATE

- **Keep in touch with the tertiary provider** to ensure your cadet is on track with their off-job learning
- **If there are any issues** with performance or the employment relationship they should be dealt with using due process as with any other employee and in good faith under the Employment Relations Act. Regular performance reviews and good communication are essential for early resolution of issues. If you need help in resolving a problem, the Ministry of Business, Innovation and Enterprise provide free mediation services that anyone can access. For more information see www.employment.govt.nz/resolving-problems/.

© Smart Waikato, 2022

DISCLAIMER: Smart Waikato Trust has made every effort to ensure information in this document is correct at time of publishing. However, Smart Waikato Trust or the creators do not assume and hereby disclaim any liability to any party for any disruption or loss caused by errors or omissions. Content is designed to complement but not replace the advice of human resources and legal advisors. Employment Legislation is subject to change. Refer to the Ministry of Business, Innovation and Employment website for updates www.mbie.govt.nz . Last updated 03/03/2022.