

Matching demand and supply in enterprise-based training – Which role does training consultation play?

Dr. Bernd Käßlinger, Federal Institute for Vocational Education and Training in Bonn/Germany

1. Why is consultation important in enterprise-based training?

Continuing vocational training (CVT) is in many respects very different from learning in school or initial vocational training. While in these initial forms of learning the content/curriculum, the place of learning or the goals are mainly standardized and officially defined, CVT is not in general provided in this way. CVT is much more flexible and non-standardized, because the learning has to be made compatible with requirements originating from the workplace or one's private life. Thus providers of CVT have to deal with the tasks of developing and offering learning arrangements in order to meet directly and quickly the expectations of enterprises and individual learners. Training consultation is here a key tool: "An obvious, although still key finding was the importance of consultation. It is concluded that the satisfaction expressed by firms regarding training was due to the high level of consultation between the firms and provider." (Toner/Marceau/Hall/Considine 2004, p. 9) Providers have to communicate with their customers in order to achieve a matching between demand and supply. Researchers have asked the question if enterprises and providers are partners in the area of CVT or which other terms are best suited to describe this co-operation (c. Schmidt-Lauff 1999). In this article, the following definition will be used: **Training consultation stands for the communicative process between providers and enterprises by which suitable training offers are chosen, standardized courses are modified or special offers are arranged according to the needs or wishes of the customers.** It can be a single offer, but also a by-product when offering training to enterprises. Training consultation can deal with a wide range of issues around the content, the methodology, the finances, the implementation or the benefits of training. Training consultation can also be offered by providers to individual learners or public agencies, but his article does not deal with these forms of training consultation. It is solely focused on training consultation by providers for enterprises.

2. Terms and concepts used

The term training consultation will be mostly used in this article when talking about this communicative process. Providers and experts in the CVT field also using the terms counselling or giving guidance/advice for describing their activity (e.g. see quotes in the following text). The language issue of a European project with at least seven national languages makes the situation even more complex. The terms consultation and counselling are very differently translated and used in the different languages. The meaning and the semantic fields of these terms are very different. For example, in Germany the general term “*Beratung*” has a very broad meaning. The term is specified with different prefixes like “*Weiterbildungsberatung*” or “*Qualifizierungsberatung*” (literally translated: “consultation for further training” or “consultation for vocational competences”). While “*Weiterbildungsberatung*” is consultation for individuals, “*Qualifizierungsberatung*” is the established term for the collaboration between enterprises and providers (c. Schiersmann/Remmele 2004, Balli/Storm 1992, Koch/Kraak 1990)¹. The term counselling has in the English language a strong connotation in the direction of psychological support which is not really suitable for the communicative process between enterprises and providers. Thus **we prefer to use the term training consultation**. We do that despite the danger that readers may as a result confuse the labels *CVT providers* and *consultancy agencies*. We want to use the term training consultation, because in our view it best captures the nature of the communicative process between enterprises and training providers in our knowledge of the English language. Consultation in relation to CVT takes place in different phases and involves different elements:

¹ There is also a broad range of literature and a vivid discussion on “*Programmplanung*” and “*Weiterbildungsmanagement*”, which deals with issues around planning, organisation and management of training providers. (s. Gieseke 2000, Robak 2006, Meisel 2005, Merk 1998) The role of consulting is one important issue within this discussion.

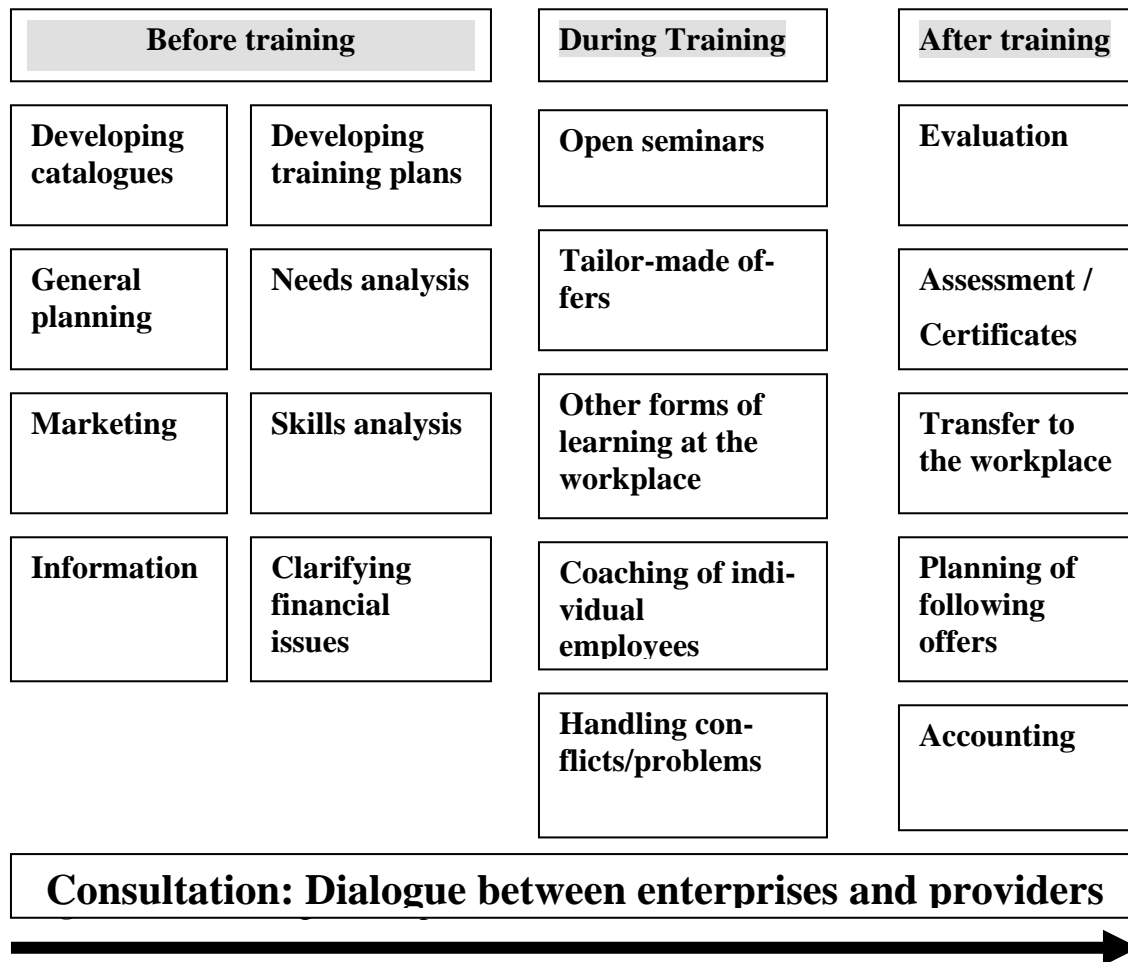
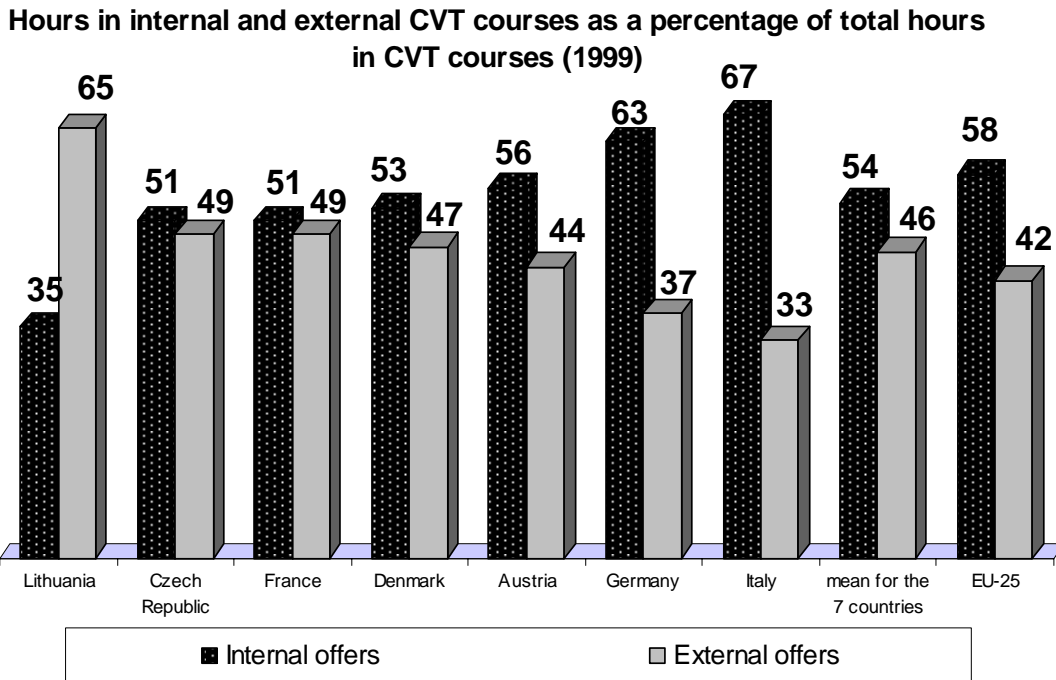


Diagram: Training consultation between providers and enterprises

There can be a need for consulting before, during and after training and it concerns different issues (see boxes within the diagram). It can mean the regular contact between enterprises and providers or the exchange of ideas concerning training. It can also range from a detailed needs analysis for the enterprise to the proposal of offers by providers to the enterprises. In the end, it can mean talking about the very practical arrangement of a training offer and how to evaluate the results. Training consultation may accompany the whole process of planning, implementing and evaluating CVT, although it is mostly located in the planning phase of training. Enterprises are often predominantly interested in the output and outcome (evaluation and transfer) of training, while providers tend to be interested in the whole process of providing training (Schmidt-Lauff 1999, p. 255). The actual learners in the enterprises are often not directly or only partly involved in the planning of the training, because the training is financed mainly by the enterprise and does

thus mainly have to serve the enterprises' interests which are not automatically and not always identical with the employees' interests. This becomes very obvious when dealing with trainings which offer certificates/degrees. These certificates and degrees can employees allow to change the employer, meaning that the employees make use of their certificates and degree within the labour market and the enterprises loose their training investments (c. Käßplinger 2007, pp. 134-141). Of course, this is different for each enterprise and provider according to their learning culture and to their understanding of learning. Some enterprises and providers are in favour of an active involvement of employees already in the beginning of planning a training. Perhaps, it could be assumed that these involvement of employees is even one main reason for implementing a successful training. There are also means in order to minimize the risk of loosing employees after a training. (e.g. pay back contracts in which employees have to pay back costs to their employees if they leave the enterprise after having received a training from their employer)

By **enterprise-based training** we mean "training measures or activities, which the enterprise finances wholly or partly, for their employees who have a working contract." (European Commission 2002, p. 8) CVT can be managed internally and externally. "External offers are designed and managed by organisations not part of the enterprise. Internal offers are designed and managed by the enterprise itself." (idem, p. 10) Big enterprises have own human resources departments or training department, who are in charge of the training within the enterprise (internal provision of training), while small and medium-sized enterprises (SME) often make use of external offers by providers of CVT (external provision of training). CVTS2 provides information about the shares of external and internal training based on training hours:



Source: European Commission 2002, pp 84-87 and 146-147.

Because of the special scope of the CVTS2rev project (see www.3s.co.at/trainingineurope) we will concentrate on seven EU countries (see diagram above). The share of internal offers is in total (unweighted mean) with 54% only slightly higher than the share of external courses with 46% for the seven countries, but Lithuania is here rather exceptional and raises the percentage of external offers. The main trend is clear: Internal training is the main means of providing CVT in Europe. In Lithuania external offers are very important with a share of 65%, while in Austria, Germany and Italy internal offers are more important (shares between 56 and 67%). In the Czech Republic, Denmark and France internal and external offers have rather similar volumes. Overall, while internal offers are more prominent, external offers constitute nonetheless a significant and important part of CVT. These external forms of CVT are offered by providers. A **provider** of training courses is the person or organisation, which delivers training to enterprises. Such persons or organisations could be:

- Schools, colleges, universities and other higher education institutions
- Public training institutions (financed or guided by the government; e.g. adult education centres)
- Private training companies
- Private companies which main activity is not training (equipment providers; Parent/associate companies)
- Employer's associations, chambers of commerce, sector bodies
- Trade unions

- Other training providers

In order to avoid any misunderstanding it is important to stress that **this distinction between internal and external is not based on the location of the training**. Both forms can actually take place within or outside the premises of the enterprise. The main difference is who manages and delivers the training mainly. If it is somebody within the enterprise it is internal training and vice versa for external training.

3. Data and methods

This article is based on 70 qualitative interviews with training providers and 253 questionnaires completed by training providers in Austria, the Czech Republic, Denmark, France, Germany, Italy and Lithuania. The data was acquired within the context of the Leonardo-II project CVTS2rev. This project is building on the results of the **second Continuing Vocational Training Survey (CVTS2)**. The results of CVTS2 are combined in CVTS2rev with new analysis of the CVTS2 data and new surveys. For example, all project partners of CVTS2rev made 10 qualitative interviews, collected approximately 30 questionnaires and reported about the research results in national reports (for the original national reports and a synthesis report see: http://www.bibb.de/dokumente/pdf/Synthesis_report_-_Final_version-30-10-06.pdf). Interviews and questionnaires were based on a guideline and outline questionnaire in English. All partners translated the guideline and outline questionnaires from English into their national languages. They conducted the interviews and sent the questionnaires to the providers. Although the quantitative data of the questionnaires is not representative for the national situations, the data highlights important characteristics of enterprise-based training in seven member states of the European Union.

Synthesising results from seven national reports, qualitative interviews, and data files based on national questionnaires is not an easy task. Differences in the national contexts have to be kept in mind, because they are important when interpreting the results. Enterprise-provided training in Denmark, for example, seems to be rather different in many respects (e.g. high level of public provision and organisation of CVT) to the situation in the other six countries observed in our study. When examining the results of the interviews and the questionnaires, it can often be noticed that the Danish case is exceptional. But differences between sectors and training content also exist within and between countries. For example, some partners reported in their national reports big differences between interviewing somebody from a language training centre or a provider of management training or an ICT-provider (see Lithuanian interview report). These differ-

ent forms of training are often difficult to compare. Our Danish partner is also correct in pointing out: “Describing the market for private providers on the basis of interviewing a few of them is similar to describing a room having only looked through the keyhole” (Danish national report, p. 15). Nonetheless, the field of enterprise-based training up to now is a field of research with not very many “keyholes” and thus each piece of information acquired is important and useful. Our goal is thus not to give a comprehensive and exhaustive description of the different “rooms” (national situations), but **to present some insights concerning the importance of training consultation for enterprise-based training.**

We used information provided by the results of CVTS2 to construct the national samples for interviews and surveys. CVTS2 results² provide information on the distribution of types of providers with which enterprises co-operate. We used this data to select the following types of training providers with whom to undertake qualitative interviews:

	Public schools and colleges	Universities	Specialised training institutions	Private training organisations	Equipment providers	Parent/associate companies	Unions	Chambers of commerce, sector bodies, employers' organisations	Other training provider	Total
AT	0	1	0	6	2	0	0	1	0	10
CZ	0	0	2	4	2	1	0	0	1	10
DE	0	0	1	4	2	1	0	2	0	10
DK	3	0	2	3	0	0	1	1	0	10
FR	1	0	0	6	1	1	0	1	0	10
IT	0	0	3	4	1	1	0	0	1	10
LT	1	3	0	5	0	0	0	1	0	10
Total	5	4	8	31	8	4	1	6	2	70

Table 1: Number of interviews in each country

After the analysis of the 10 qualitative expert interviews each partner sent out quantitative questionnaires to providers. Every project partner tried to acquire at least 30 completed questionnaires by training providers. The interview partners used internet information, personal contacts or handbooks with addresses in order to find the providers. The acquiring of 30 completed questionnaires was rather difficult in most countries except the Czech Republic. A large number of questionnaires had to be sent out in order to acquire the number needed. The providers who answered characterised their institution as following:

² Question C5, paid working time spent on CVT according type of provider, c. European Commission 2002, p. 148.

	Public training institutions	Colleges, Universities	Private training organisations	Unions	Chambers of commerce, sector bodies, employers' organisations	Other training provider	No answer	Total
AT	0	0	21	0	1	1	3	26
CZ	2	1	58	0	2	9	0	72
DE	3	2	19	2	2	6	0	34
DK	16	3	6	3	3	0	0	31
FR	1	1	21	0	2	5	0	30
IT	na	na	na	na	na	na	30	30
LT	5	0	24	0	1	0	0	30
Total	27	7	149	5	11	21	33	253

Table 2: Number of questionnaires in each country (na: no answer)

The typology used in the questionnaire was condensed in order to reduce the response burden. Thus the categories used diverge somewhat from the typology used for the interviews. (see above) We will work in the following text in the tables with the unweighted country means in order to avoid a size bias caused by the different numbers of interviews in the countries. The total figures are also not weighted for the different population sizes of the countries involved. The Italian providers did not answer the typology question. The comparatively very high number of public training institutions in the Danish situation mirrors the high importance of enterprise-provided training offered by public training institutions in Denmark, a situation that is very different to all other countries in our sample as already said. Overall, the total figures for all countries show that **private training organisations are the predominant type of CVT provider in the field of externally managed enterprise training in most EU countries** (exceptions: Denmark, Latvia and Slovenia, s. European Commission 2002, pp 86-87 and 145).

The average provider in our sample employed 28 full-time employees, 9 part-time employees and 52 freelancers in 2005. They have had on average 3.172 participants from 157 enterprises for 250 courses and had an annual turnover of 2,3 million Euro in 2005. 44% of the providers worked with enterprises with 0 to 9 employees, 61% with enterprises with 10 to 49 employees, 64% with enterprises with 50 to 499 employees and 41% with enterprises with 500 and more employees. 61% of the providers were active in 4 and more sectors, while only 19% concentrated their work in just one sector.

4. General importance of training consultation

In our questionnaires for the providers we have asked the following question:

Table 3: Question: Did you deliver services in the field of management and organisation and training (e.g. assessing the training needs, developing training plans, developing concepts for measuring training outcomes) in 2005?

	AT	CZ	DK	FR	DE	IT	LT	Total
Yes	65	64	84	57	53	97	40	66
No	35	36	16	43	47	3	60	34
No answer	0	0	0	0	0	0	0	0
Total	100	100	100	100	100	100	100	100

Source: CVTS2rev survey of providers 2006 (figures in %)

The assessment of training needs, the development of training plans, and development of concepts for training output measurement which are part of training consultation are not very often offered in Lithuania (60% do not offer such services) and Germany (47%), while in all other countries most providers offer these services. We do not know exactly why German and Lithuanian providers offer such a rather low degree of consultation in comparison to other countries. One explanation could be, that these countries have a low level of public involvement in CVT, which leads to a certain lack of national and regional co-operation structures on issues concerning CVT. In Italy (97% offer these services) and Denmark (84%) providers are much more active in offering other services than providers of any other country. The high Danish figures are explainable by the corporate and consultative administration structure. Training supply is the product of a corporatist consultation process on national and regional level. Predictions on the future needs for skills and qualifications are made on national, regional and branch level. Different interest groups rely on institutionalized mediation, negotiation and cooperation by the social partners. The central steering system is based on cooperation between the Ministry of Education and boards of representatives of the social partners. The boards have been established for each sector or trade and are continually developing the programmatic guidelines for local CVT. The content of these programmes are approved by a central board (REVE). **In this way, the labour market's supply of qualified manpower becomes a result of, not some kind of "immediate", direct demand from the single enterprise, but of a kind of "mediated" demand, co-influenced and co-constructed by socio-political processes, shaping the vocational qualification structure.** At the local level the same principles are applied which means that the contents of the courses are developed in close cooperation through local boards or networks between the industry and the AMU-centers³. This corporative involvement ensures that the content of the courses is highly

³ Public provisioned CVT was initiated in 1960 through the establishment of the so-called AMU-system. In the 1950s a lack of qualified skilled workers had been identified and a commission had been set up with the purpose of solving the problem. The majority of the representatives came from the unskilled workers' unions and on the employers' side from the trade associations that specialized in employing unskilled workers. The commission came up

relevant to the qualification needs of the given branch or sector. Mutual consultation is undertaken by a big number of stakeholders of the CVT system in Denmark. Unfortunately, there is no explanation at hand for the high figures in Italy.

Generally speaking, many providers stressed in the interviews that **training consultation is important for external providers co-operating with enterprises**. For the partner countries, the research teams have highlighted this as follows in their summary reports:

- *“If training needs and needs for organisational development are closely interlinked, the trainers/consultants need consulting skills and should be able “to read” the organization (...) In order to place non-specific client concerns in specific terms and notice which service the client’s actual needs, consulting is already important in the preparation phase of the project.” (Austrian interview report, p. 17)*
- *“Two thirds of the private providers identify the demand for CVT by continually having dialogue with their largest customers” (Danish interview report, p.16)*

Providers are supporting enterprises in trying to translate more or less explicit training needs of enterprises into suitable forms of training. Therefore the providers need an understanding (“able to read the organization”) of the enterprises structures and how they function. This quote mentions the frequently heard observation that not all enterprises are able to express their training needs in clear terms. Such enterprises especially need support from providers, networks or other (public) consulting agencies. Continuous dialogue between providers and enterprises is here very important; it is not sufficient that enterprises look into a catalogue with training offers and look up suitable offers. **Training consultation by providers is an important hinge to match demand and supply**. Providers described the situation in their own words as follows:

- *“Undoubtedly, some advice and assistance, particularly to steer the entrepreneur towards the knowledge of local training offers and the various opportunities provided with public financing, is useful and desirable (...)” (provider in the Italian interview report, p. 5)*

It is difficult for enterprises to orientate themselves in a totally independent way within the training market. They need the support of providers. In this context many providers report a low level of knowledge and professionalism in enterprises when it comes to planning of CVT:

- *“The tendency is to employ people who are not educated for that. The educational positions within the enterprise are without exception filled with non-trainers. Sometimes psychologists. Perhaps business economists with some knowledge about personell. But mostly ‘self-approved’ and ‘moved-there’ people. You miss simple consistency. No systematic system. You would never employ an engineer in the accounts department, but it is normal to employ an engineer in the educational department. It’s chaotic, I see no profes-*

with the idea of a ramified, modular educational system for unskilled workers delivered by a number of local AMU-centers. The basic features of this system persist even today. (Danish interview report, p. 4)

sionalisation in the whole area. No difference between big enterprises and SMEs. You see the same neglect.” (provider in the German interview report, p. 11)

- *“The problem is that enterprises mostly can’t say what they need. The enterprises do not have a mid-term educational planning. That’s really terrible. Especially in the smaller enterprise. That’s really horrible.” (provider in the German interview report, p. 6)*

At least for Germany, the recruitment of the people in charge for CVT seems to happen rather by accident in big enterprises, while SME approach CVT very short-sighted on a daily basis according these quotes. Providers report that many small – but also many big - enterprises have no systematic and continuous approach to CVT. This makes the support and training consultation of providers for enterprises even more important. **Missing knowledge about CVT within enterprises is compensated by the external knowledge of providers.** Overall, the amount of training consultation offered by providers is expected to increase in future from the point of view of the providers: *“The need for consultancy will increase.” (provider in the German interview report, p.*

8) An opinion shared by scientists:

- *“The traditional VET provider will need to become more involved in personalising the skill training requirements for enterprises and act as a consultant in this process, This will also require the traditional VET providers to develop new organisational structures which work across disciplines in an effective way. Furthermore, it is important to recognise that the delivery of this training may not be conducted in a traditional way, but may call upon external providers and mentors.” (Lindhjem/Royle , p. 164)*
- *“It has to be assumed in future that enterprises will increasingly expect tailor-made courses in order to raise the efficiency of learning and transfer at the workplace. Providers are thus increasingly asked, even before implementing training within enterprises, to provide training consultation with institutional features. The providers have to start with the problems within the enterprises and have to deliver tailor-made solutions.”⁴ (Schiersmann/Remmele 2000, S. 23)*

Starting from the general observation and assumption that tailor-made courses will have an increasing importance in future, the importance of training consultation is expected to rise as well. We have the information from our CVTS2rev survey that tailor-made courses are already more often offered by most providers than open seminars in five countries, while the situation in Italy and the Czech Republic is different:

⁴ Literally translation, original quote: *“Für die Zukunft ist davon auszugehen, dass Betriebe in zunehmenden Maße individuell zugeschnittene Weiterbildungsangebote erwarten, um die Effizienz der Lernprozesse und den Transfer in den betrieblichen Alltag zu erhöhen. Daher kommt Bildungsanbietern – auch im Vorfeld der Durchführung von Weiterbildung in Betrieben – in zunehmenden Maße eine Beratungsfunktion zu, die auch institutionsbezogene Aspekte umfasst. Die Bildungsanbieter müssen konkret an den betrieblichen Problemsituationen ansetzen und maßgeschneiderte Lösungsstrategien entwickeln.”*

Table 4: Question: Did you realize tailor-made seminars (non-standardized seminars which are arranged according to the specific needs of an individual enterprise or a group of enterprises) in 2005?

	AT	CZ	DK	FR	DE	IT	LT	Total
Yes	96	92	90	100	88	63	100	90
No	4	8	10	0	9	37	0	10
No answer	0	0	0	0	3	0	0	0
Total	100	100	100	100	100	100	100	100

Source: CVTS2rev survey of providers 2006 (figures in %)

Table 5: Question: Did you realize open seminars (courses that are visited by participants of different origins/enterprises. The courses are often published in a programme or placed in a database, which can be accessed publicly) in 2005?

	AT	CZ	DK	FR	DE	IT	LT	Total
Yes	54	92	84	53	88	70	93	76
No	46	8	16	47	12	30	7	24
No answer	0	0	0	0	0	0	0	0
Total	100	100	100	100	100	100	100	100

Source: CVTS2rev survey of providers 2006 (figures in %)

The figures for “yes” are higher in table 4 than in table 5 in almost every country. However, the figures for “Yes” concerning open seminars are also relatively high. It has to be noticed in the German context that open seminars are still an important element of enterprise-based training (c. Schiersmann/Remmele 2000, pp 14-15) despite public projections of an increasingly dominance of tailor-made seminars. The majority of providers in all countries (from 53% in France to 93% in Lithuania) in our CVTS2rev survey indicates that they are still offering open seminars. The share of providers offering open seminars is also an indicator with certain limitations when considering the importance of open seminars for the whole CVT system. For example, in Austria two providers offered 24,300 open seminars with 291,000 participants in 2003/2004. The market for open seminars is highly controlled by two large providers in Austria. These two providers make up only two of 26 Austrian training providers in our CVTS2rev survey of providers. The importance of open seminars in the whole training market is thus not adequately reflected in the share of the interviewed providers offering open seminars. Open seminars are of rather minor importance for the small providers constituting the majority of the training providers surveyed, but big providers (which are only few in number) offer often very many open seminars.

Overall, training consultation is expected to be of increasing importance. This is partly connected to the increase in provision of tailor-made courses to enterprises by providers. Tailor-made courses need more frequently and more intensive consultation than open seminars, because the courses are individually developed according the needs of the enterprises. Nonetheless, even open seminars need training consultation. Such action generally acts as a hinge between demand

and supply. This function of a **hinge** (“*Scharnierstellenfunktion*” Gieseke 1997) is a basic characteristic of consultation in enterprise-based training.

5. Promotion of public financing schemes for CVT by training consultation

Public financing schemes for individuals and enterprises have become prominent in the political discussion of the last years. For example, instruments like training accounts or training cheques are used and tested in many countries (Moraal 2007, p. 2) In Belgium and the Austrian federal state of Styria training cheques are already in use for some years (1998 -Wallonia region; 2002 – Flanders; Styria since the middle of the 1990s). In the United Kingdom pilot experiments were cancelled because the abuse of the promotional instrument was too large and there was no form of institutional quality control. In the German federal state North Rhine-Westphalia a training cheques scheme for individuals and enterprises has been implemented in 2006. (Moraal 2007) Small and medium-sized enterprises (SME) are often of central interest to policy-makers. **Many providers give advice to enterprises on how they can apply and how they can handle public financing schemes as per Table 6:**

Table 6: Question: Do you inform enterprises on existing public co-funding schemes for training?

	AT	CZ	DK	FR	DE	IT	LT	Total
Yes	65	50	74	87	35	93	93	70
No	27	47	26	13	65	7	7	27
No answer	8	3	0	0	0	0	0	3
Total	100	100	100	100	100	100	100	100

Source: CVTS2rev survey of providers 2006 (figures in %)

Germany appears to run against this trend. **Of course, information can be only given if such public co-funding schemes exist at European, national, regional or local levels.** Additionally, they have to be financially relevant in comparison to other financial resources for CVT in the respective country. This might explain the high figures especially in Denmark, France, Italy and Lithuania. These countries have mostly substantial funding systems on national and/or branch level. For example, in Italy “*many structures that operate within continuous and vocational training (...) carry out the greatest part of their own training activity addressed to firms in using national and community public funds: Law no. 236; Law no. 53 (personal training); Inter-professional Funds for Continuous Formation; European Social Fund*” (Italian interview report, pp. 7-8). Many providers continuously inform and support enterprises in the area of co-funding schemes:

- “The providers also offer help with administrative burdens.” (Danish interview report, p.14)
- “In addition to training provision itself, the training organizations tend to integrate administrative facilities into their service, (...) including dealing with its financial arrangement as it was the case with the implementation of the project ‘DIF’ (Droit Individuel à la Formation: individual right to training) and other projects.” (French interview report, p. 8)
- “Our work with SME is successful, because we tell them, that we will do all of the application stuff. We will arrange the papers, we explain it to you, we talk with the public agencies and you just sent in the applications officially.” (provider in the German interview report, p. 9)

The reduction of the administrative burden for the enterprises is one central task for the providers. Enterprises welcome this support, because they are often not used to apply to these public funding schemes, while the providers have the necessary knowledge about the schemes. Funding schemes for training in SMEs exist in Germany so far only on regional (“Länder”) level (e.g. Berlin, Thuringia and North Rhine-Westphalia⁵). This is the special context of the German quote above, which is not typical for the situation in other parts of Germany. Providers are important mediators when trying to stimulate enterprise-based training by directing enterprises to public co-funding. They help enterprises a lot in dealing with administrative issues connected with the funding schemes. **Politicians and administrators have to be aware of the importance of providers as mediators and consultants when initiating and running funding schemes for enterprises.** The effects of public funding schemes are judged by the providers as follows:.

Table 7: Question: From your experience, what are the effects of public co-funding schemes for training?

Items	Yes	No	No answer
- more training	58%	23%	19%
- better access to training for special target groups (older employees, women or migrants)	53%	27%	20%
- more training especially in SME	53%	31%	16%
- more training about special topics like ICT or health and safety	46%	29%	25%
- reduction of enterprises’ share in the investment in training	51%	34%	15%
- support of providers in order to co-operate with enterprises	45%	37%	18%

Source: CVTS2rev survey of providers 2006 (figures in %)

⁵ Information in Detail for Berlin (<http://www.ibb.de/index.php?id=bwbbesch>) and NRW (<http://www.gib.nrw.de/de/unt/weiterbildung/bildungsschecks.htm>)

The results are encouraging in the sense that 58% of providers observe an increase of training in general and an increase in having access for special target groups or enterprises concerning training about special topics. Nonetheless, the results are also discouraging in the sense that 51% of providers observe or expect a simultaneous reduction of enterprise investment in CVT. Enterprises investment is partially substituted by public investment. We have no information about the volume of this reduction. Overall, **the general problem is highlighted that every funding scheme has to take care of possible negative effects like dead weights.** The low percentage of positive answers for the last item also indicates that many providers are not making use of public funding schemes. Many providers do not or do not predominantly use public financing schemes, but other financial sources (e.g. direct payment by the enterprises). Reasons for this reluctance might be that the public administration of schemes tends to be heavy, delays in payment can occur, paper work takes up a lot of time and such time consuming tasks may not be an eligible cost for providers.

6. Hidden importance of training consultation within the provision of courses by providers

Offering training is often “only” one part of the actions of providers; training consultation undertaken by providers may take various forms. Tailor-made seminars, open seminars, training consultation and other services are parts of one big toolbox which providers offer to enterprises. This supports the observation that “*the border between training services and organizational development and consulting is very fluid*“ (Austrian interview report, p. 16). This unclear boundary might cause some problems, because enterprises seem often not aware of the value of consultancy:

- “*It is difficult for me as a free-lancer to get paid for training consultation. Seminars are paid. Preparation is normally paid. Training consultation needs a lot of time, but you don’t get paid for that. You have to incorporate it in other costs.*” (provider in the German interview report, p. 9)
- “*The analysis of training needs of the enterprises is an intensive joint work by the enterprise and the training supplier, but, so far, the needs analysis is yet no product for which you can ask for money.*” (provider in the German interview report, p. 9)

Providers are often perceived predominantly as providers of training and not as partners in organisational development and human resources management (c. Schmidt-Lauff 1999, pp 260-262). Enterprises consider the accompanying training consultation as rather a by-product of providing courses. They seem to be unaware of the importance of the information and advice given. This lack of awareness in many countries might result in a lack of initiative to optimise and stabilise this consultation and to provide training in a more structured and continuous way.

The Danish situation is here the exception, because of well-established co-operation structures which involve enterprises, providers and other agencies jointly.

The quantitative data as well as the interviews underline the importance of training consultation and other services from the point of view of providers. Nonetheless, the direct financial benefit from such services is not significant for them. In our CVTS2rev provider survey reported:

- **34%** of the providers are not active in this field,
- **52%** of the providers received a financial benefit of **less than 10% of turnover**,
- **12%** of the providers received a financial benefit of **10 to 30% of turnover** and
- **3%** of the providers received a financial benefit of **more than 30% of turnover** from training consultation in 2005.

The direct financial effects of offering training consultation seem to be rather limited. Training consultation is likely to be more a by-product when offering open seminars or tailor-made courses. It is not a separate field of business for most suppliers. Open seminars and tailor-made courses are the “cash cows”. Training consultation seems not to be an independent and equally important cost factor, when comparing it with the importance of seminars. This highlights a somewhat ambivalent situation. On the one side, training consultation is important. It accompanies the whole process of offering training (from need analysis, didactical planning, implementation and evaluation). On the other side, it is not clearly visible in its importance. Training **consultation is a service which is hidden in the costs of offering a seminar**. This leads to the hypothesis that providers are probably interested to keep the consultancy to a minimum in order to limit their costs. Why should they invest much time in consultancy, when they know that they are not paid separately for it? Thus the amount of consultation provided might sometimes not be enough, because of the likely tendency to minimize costs in this area. **Bad experiences of the enterprises with other types of consultants make the situation even worse.** Some providers tend to avoid the usage of the word consultancy within the co-operation with enterprises:

- *“A great problem is, that we have to avoid the impression of being consultants. In this area you will find a lot of ‘burned earth’. A lot of consultants have tried, at least that’s what the enterprises say, to give consultancy by a monolithic concept. That wasn’t successful. The people spent money and it didn’t work out. They are suspicious. Nonetheless, we want to undertake consultancy even if we can’t name it like that.” (German provider)*

This quote reveals that training consultation should promote an special solution for each individual enterprise. Standardized, monolithic concepts which are just blueprints for various enterprises do not serve the special interests of individual enterprises. Unfortunately, such kinds

of training consultation are more time-consuming and more challenging for the providers. Thus it is likely that at least some consultants try to avoid an elaborated form of consulting and prefer to stick to frequently used blueprints. It seems to be a somewhat contradictory situation, in which the interests of enterprises and providers do not sustain each other:

- *“Sometimes the suppliers experience the contradiction between the need to satisfy the needs of the customer and the limited financial possibilities of the customer.” (Lithuanian interview report, p. 164)*
- *“The training provider can offer a standard training module or a tailor made training based on deep-going need analysis and adaptation to different criteria. There is substantial difference in the two models not only in the form but also in terms of economy. Typical expectation from enterprises is that the learning projects should be flexible, adapted to their specific needs and at the same time cost not higher than an “ordinary” solution. When confronted with the financial costs of conducting more deep-going learning project the employers typically choose more standard, cheaper, solutions.” (Szwebs 2006, pp. 25-26)*

Enterprises have to acknowledge the value of good training consultation and be ready to pay for it, while providers should resist the temptation to provide blueprint training consultation. This sounds rather easy, but limited financial resources, especially in SMEs, might constitute a major obstacle, which sometimes can be only solved by network solutions. (c. Ufholz et al 1997) A second solution could be that offering training consultation would become an eligible cost in public co-funded training. Perhaps, it would make the concept also more acceptable for private sponsored training.

7. Unifying accountancy, consultation and training: Competence of the staff of providers

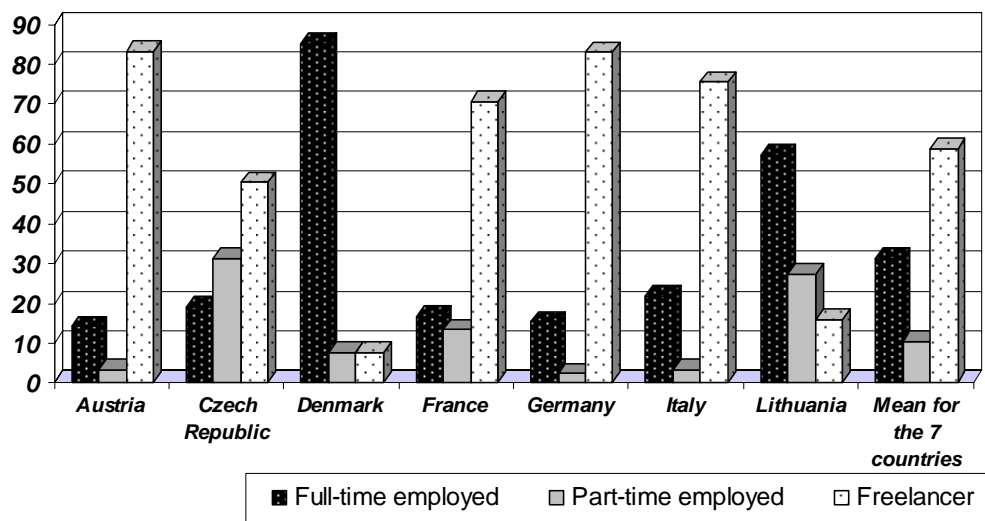
Providers have to be able to provide good training and good training consultation simultaneously. One provider asked how the staff of training providers can cope with this challenge:

“You have business administrators, who have no clue about pedagogical services. And you have trainers, who have no clue about sales and marketing. There you see the problem. Basically, you need a new type of educational staff for the providers. We develop this kind of staff right now and there we need innovative projects. It is trial and error.” (provider in the German interview report, pp 105-110)

This provider starts from the observation that the whole administrative staff within the providers have to extend their competencies by a new combinations of skills. Business experts have to acquire pedagogical knowledge and pedagogical experts have to acquire business knowledge. The staff should be able to co-ordinate the didactical, financial and marketing issues

concerning training. The move from standardized to tailor-made courses increases not only the importance of training consultation, but also the challenges of planning training. Tailor-made training has to be arranged and re-arranged in very flexible ways which involve many issues. For example, the location, the price, the content and method of training are thus often not pre-defined, but the object of intensive exchange and negotiation between providers and enterprises. To develop an attractive and suitable offer for both sides (the enterprises and the providers) is very challenging for provider staff. The following diagram informs about the staff structure of providers in the seven countries involved in the project CVTS2rev. It shows clearly that there are big differences between the countries:

in % **Trainer structure of CVT providers (in % of all providers)**



Source: CVTSrev survey of providers 2006

While providers in Denmark and Lithuania have a high share of full-time employed people, providers in Austria, the Czech Republic, France, Germany and Italy have the highest shares of freelancers. Part-time employment is most frequent in the Czech Republic and Lithuania, and partly valid for France, but in Austria, Denmark, Germany and Italy plays a rather residual role. **Overall, these different staff structures have consequences for the ways in which training is organised by providers.** Free-lancers are rather difficult to include in organisational planning and developments. Austrian, French, German and Italian providers face here perhaps similar difficulties. Danish providers have a high share of full-time employed (many of them are public providers), which perhaps promotes organisational development better because of more continuity. The big differences between Czech and Lithuanian providers exemplify the different tracks which the

MOE countries have taken. This results show clearly that the structures of CVT providers are very different in Europe.

8. Concluding remarks: Role of training consultation within enterprise-based training and ways of promoting it

An open question, which was not tackled by the providers within the interviews, is **the problematic constellation that training consultation given by an individual provider might be very subjective and interest-ridden**. The following ambivalences and problems arise when looking for example at the German situation. On the one side, it is known from consumer tests in Germany that the Chambers of Commerce give good advice but inform predominantly about their own offers and not about offers of other providers⁶. (Stiftung Warentest 2004, S. 12) Independent public training providers seem therefore to be very important in order to offer more objective information about the training provision (c. Schönfeld/Stöbe 1995, S. 112). On the other side, there have often been fiscal arguments against the establishment of a nation-wide, neutral consulting agencies (c. Schiersmann 2000, S. 28). Others stress (Iller/Sixt 2004, pp. 21-23) that SMEs especially prefer to trust only one partner in CVT who offers them in a “one-stop-strategy”, that is training consultation and provision as one package. Consequently, single consultancy agencies would not be suitable to the needs of these SME because it would mean one more additional contact. If this observation is correct, it is more the business of individual providers to establish networks with other providers to be able to fulfil all possible needs of enterprises: “no single provider of products and services will be able to meet all of the needs of the industry. Therefore appropriate relationships will need to be developed.” (Lindhjem/Royle , p. 164) It is not the enterprises that have to form networks but rather the providers so that they can fulfil the needs of enterprises. Overall, it cannot be decided which strategy is really the most suitable, because regional and national structures are very different and there are already well-established structures to be acknowledged. **Nonetheless, it seems to be desirable to test and check on national and regional levels if the existing training consultation structures are working satisfactorily or if there is a need for the establishment of additional services. Such additional services could be the establishment of networks of providers or the establishment of neutral information agencies.**

⁶ „Die Berater in den Kammern wissen in der Regel gut über die jeweilige regionale Arbeitsmarktsituation Bescheid. Allerdings empfehlen sie häufig nur eigene Weiterbildungsangebote.“ (Stiftung Warentest 2004, S. 12)

Overall, training consultation and other services could be described as rather hidden activities of providers or as by-products when offering courses to enterprises. They are not very often a specified cost position, but are rather invisibly incorporated within the training fees. There are some hints that the importance of training consultation and other services will be of increasing importance for providers in future. For example, French providers report about an increase of '*spontaneous requests*' asking for '*offers adapted to their punctual needs*' which lead to an increased need for consulting and other services (s. French interview report, p. 8). Such specific enterprise requests can only be met through training consultation. **Overall, tailor-made seminars, open seminars, counselling and other services constitute one big toolbox, which providers offer to enterprises.** The boundaries between these different services are often not very strict and training consultation can be a single service, but also the connection between the different services.

This invisibility and the time-consuming characteristics of training consultation might constitute a problem, because enterprises are not ready to pay for it individually. The providers have to hide the costs of consultation within the training costs. Thus providers might tend to limit the amount of consultation in order to maximize their profit. In the end, this can lead to some problems, because the amount of consultation offered might be not enough. Too often solutions could be offered which are not suitable enough, while not enough money is spent for an accurate needs analysis in order to match demand and supply in a good way. There is certainly a need for more awareness of the importance and value of consultation by enterprises. But it will not be very easy to raise that awareness, because the focus is on open seminars; and bad examples of past consultancies lower the openness for elaborated forms of training consultation. **This presents an overall ambivalent situation.** On the side, the importance and even growing importance of training-consultation is stressed jointly by policy makers, researchers, enterprises and providers. On the other side, training consultation is time-consuming and costs money. Even if the issue receives the importance it deserves and go beyond rhetoric, there is still a certain resistance to spending money for good training consultation; there exists a tendency to take the easy and cheaper standard solution, although this solution might be in the end turn out to be the more cost intensive one. Providers are also often too ready to lower their own standards despite their professional convictions, because they think they have to adapt to enterprises' expectations and wishes. Thus they contribute deficiencies within enterprises-based training, instead of raising the level of pro-

fessionalism (c. Schmidt-Lauff 1999, pp 260-261). Of course, providers have to attend to the needs of enterprises, but **professionalism means here more than just implementing everything which enterprises want; it also means matching pedagogical expertise with enterprises' needs and resources in a process of mutual dialogue between enterprises and providers.**

Overall, it is easy to say that providers must offer more flexible training solutions and change from being just providers to becoming service agencies with high quality and consultation-intensive offers (c. Busse et al 2005); and it is easy to find many best practices. **The daily reality of enterprise-based training is characterised by many contradictions and ambivalences, which make the situation much more complex than can be written in public announcements of researchers, policy makers or enterprise representatives. Training consultation is one good example of a contradictory and ambivalent situation within enterprise-based training.**

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Contact:

Dr. Bernd Käpplinger

Federal Institute for Vocational Education and Training

Unit 2.3 Costs, Benefits, Financing

Robert-Schuman-Platz 3

Tel.: +49 228 107 2601

Fax: +49 228 107 2960

E-Mail: kaepplinger@bibb.de

URL: www.bibb.de