

Lack of Skills, or Lack of Motivation: Barriers to Lifelong Learning in SMEs

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Purpose: This paper examines the findings and policy recommendations for lifelong learning (or continuous training) in UK small and medium sized enterprises (SMEs) and follows four previous papers (Mukhtar and Redman 2000, 2001, 2002 and 2004) that examined the issues related to training in SMEs. The characteristics of the "Small Business Ethos" – the distinguishing culture of the small business that influences the implementation of learning and training – differentiating policy needs from those of big businesses, is reviewed and the paper considers current policy recommendations developed in the project for the European Commission: "Impacts and Monitoring of Vocational Training in Europe (I-Move)".

Design/Methodology/Approach: Qualitative evidence from both employers and employees contributes to the project objectives of identifying the models and functioning "rules" of continuing training as an overall process or "chain", and to suggest the strengthening of common aspects of lifelong learning with the most effective impacts by appraising the structure and role of training needs analysis; resource management; practical methods and certification of skills and recognition of non-formal learning.

Findings: The case studies cover a range of business characteristics and demonstrate the international nature of the project by examining evidence from the UK, Spain, Italy and Germany. The motivational element to implement lifelong learning, particularly in SMEs, is essential to the development of any vocational training policy and this is scrutinized as a support function to both employers and employees, with an examination of the specific barriers to its realization. We consider factors to enhance both individual and corporate motivation in the achievement of continuity of lifelong learning.

Implications: The value of continuous vocational training is consistently advocated as a contributory factor to improved competitiveness, especially in small businesses, but the impact of the non-formal or informal training process is not always recognized and this sequence of papers has emphasised the need for that recognition.

Originality/Value: International comparison makes this evidence particularly valuable in the light of the extension of the European Union and the need for UK businesses to maintain their position in the enlarged community.

Key Words: lifelong learning, vocational training, small business.

Introduction

The difficulties in defining a concept for Lifelong Learning, or Continuing Training (CT) as an element of the process related to business, particularly for Small and Medium-sized Enterprises (SMEs) is that a major focus of at least half of all UK SMEs is almost exclusively on the acquisition of skills related to the job, without recourse to 'formal' training initiatives, whether occupationally- or academically-based. However, the dilemma facing many SME owner / managers is that they recognise that, whilst training produces results and there must be proactive involvement by the business management, the time and cost involved in producing any formal training strategy is often inhibitive (Mukhtar and Redman, 2002).

In this paper we consider the evidence provided in a Leonardo da Vinci project "Impacts and Monitoring of Vocational Training in Europe (I-Move)" in order to evaluate the various models and characteristics of CT as an overall process in 4 different EU States (UK, Germany, Italy and Spain). Lifelong learning has become an all-encompassing concept and its scope has progressively extended in the last thirty years. The all-embracing nature of the concept of lifelong learning hides some pitfalls, among them the risk of dispersion, a loss of focus and the difficulty of assigning and evaluating priorities. Nevertheless this special character of the concept seems to hold certain appeal to policy-makers because it helps to define blurred educational objectives and to mask the actors responsible for provisions and actions. For researchers and analysts this all-embracing approach holds much less appeal, because it hampers any attempt to reach a clear definition and amenable to measurement and evaluation. (Tuijnman and Boström, 2002).

The 'appeal to policy-makers' is for a single homogenised policy, and the increasing emphasis on CT as a contributory factor to economic competitiveness has obvious attractions. The OECD describes continuing training and education as 'all kinds of general and job-related education and training for adults that is organised, financed, or sponsored by authorities, provided by employers or self-financed' (OECD, 2002), and in this context the implications for a national policy to enhance profitability are clear. The European Centre for the Development of Vocational Training suggests that it should enable citizens of any age and at any point in their lives to identify their capacities, competences and interests, to make meaningful educational, training and occupational decisions and to manage their individual paths in learning, work and other settings in which these capacities and competences are learned and / or used (lifewide), (CEDFOP, 2005). The I-Move project sets out to consider lifelong learning activities as 'processes pertaining to a socio-technical system aimed at improving knowledge and skills through education of adults' (Olivotto, 2004a).

This process-based study aims to enable identification of a set of parameters for the behaviour, structure and performance of lifelong learning systems. In this paper we limit the examination to the 'Stakeholders' Perspective' – specifically the perception of SME employers and employees, although it does imply significant overlaps into other parameters defined by the project. The evidence from case studies has provided an analysis to develop the key subjects of this 'perspective' :

- Identification of specific stakeholders that operate within the system.
- Objectives owned, differences in concepts and expected behavioural changes.
- Structure, content, governance and dynamics of relationships among stakeholders.
- Structuring of specific stakeholder's segments.
- Level of satisfaction.

Methodology

Each participating partner conducted in-depth qualitative research on 3 or 4 case studies in their own country. The project agreed on a standardised questionnaire design to examine the market; features of CT in the business, including its format, provision and objectives; the decision making process by management and employees; participation in CT and perceived impact on the business.

The case studies were chosen to represent a cross section of business size, but limited to specific sector criteria in order to provide robust comparison. The characteristics of the individual case studies are shown in the tables below:

Table 1 - UK:

Company Details	Company A	Company B	Company C
Location	Essex	Cumbria	Preston
Size (employees)	50	9	26
Industry Sector	D28.11	D29.24	D29.51
Classification	Medium	Micro	Small
Interviewee(s)	Director	Owner/Manager 2 Employees	HR Manager Accounts Manager

The UK interviews were carried out in the SMEs' premises with the owner / manager / entrepreneur or other employees as suggested by the owner-manager. In only one case study, it was possible to interview employees. Due to the limited continuous training within these companies, there was limited access to employees' experience in continuous training particularly at the manual worker level. The quantitative data are limited to the last 3 years (2001-2004). However the qualitative data reflect experiences that go beyond the 3 year period. In some instances, the data projects future plans and activities while in other instances the data compares present training activities with past experiences. Although the three companies are manufacturing companies, they provide limited continuous training due to the low level of technical activity within the company which overall limited most continuous training to Health and Safety area.

Table 2 -Spain:

Company Details	Company A	Company B	Company C	Company D
Location	Seville	Seville	Seville	Seville
Size (employees)	1	6	86	36
Industry Sector	D 28	D30	D28	D29
Classification	Micro	Micro	Medium	Small
Interviewee(s)	Owner/manager	Employer 2 Employees	Training manager 2 Employees	Training manager 2 Employees

Four companies were selected to study the forms of enterprise's decision making about CT within SMEs. Sample selection was a convenience sampling, where selection was based on the size and the specific sector of each company. The interview format was open-ended, where interviewees were allowed to express their views freely in direct personal interviews. The interview agenda focused on the forms of enterprise's decision making about CT both from a training / HR manager as well as an employee perspective.

Table 3 – Germany

Company Details	Company A	Company B	Company C
Location	Lower Saxony	Lower Saxony	Lower Saxony
Size (employees)	7	40	84
Industry Sector	D 28	D 28	D 30
Classification	Micro	Small	Medium
Interviewee(s)	Manager 1 Apprentice	Managing Director 1 Employee	2 Employees

In Germany 3 industrial companies with roughly the same external general conditions have been questioned in order to be able to compare the data. Two questionnaires using the principles outlined by the project, with the same focus, general conditions, qualifying practice, experience with seminars, training requirements, career development as well as training requests were addressed in meetings with the company management and the employees.

Table 4 – Italy

Company Details	Company A	Company B	Company C
Location	Reggio Emilia	Lecco	Moncaliero
Size (employees)	12	30	31
Industry Sector	D 29	D 28	D 28
Classification	Small	Small	Medium
Interviewee(s)	Employer Training Manager 2 Employees	Employer 2 Employees	Managing director 1 Employee

The Italian survey highlighted a series of characteristics relative to the decision making process based on the parameters suggested by the project questionnaire format, on the basis of which SMEs develop actions of Continuing Training. The case-studies were carried out in enterprises employing a staff of less than 50, categorised as 'small' .

For the purpose of this study, the project categorises 'micro' businesses as those with less than 10 employees, 'small' with 11 to 50 employees and 'medium' with 51 to 250 employees.

Interview results

It was very clear from the interview responses that the characteristics of CT training policies in SMEs is very much more dependent upon the size of the business rather than the locality, even to the extent that international comparisons still show remarkable similarities in size definition rather than national culture.

We have considered the perceptions of those interviewed in the case studies from the viewpoint of 9 particular elements that contribute to the process of CT within the business - company policies/planning; training needs analysis; decision making; type of training sought and implemented including budget provision; internal provision / supply; external provision/supply; evaluation/quality of CT; benefit to the company and the individual and finally, motivation of the company and individual.

Company policies/planning

A significant driver of CT in all cases was regulatory compliance, although it is clear that planning for training to ensure competence in compliance procedures ranged from a significantly ad hoc process in micro businesses to a more structured training plan in the medium-sized companies.

For micro businesses the prevailing criteria is the level of compliance required for the specialised process they operate. *The CT that takes places annually or biannually within the company is limited to what is required by Health and Safety legislation and the certification that needs to be kept up to date (UK). External training includes occupational health and safety (Spain). The personnel have participated in at least one external course every year (Spain).*

Elements of case study analysis:		
Company policies/planning		
Needs analysis		
Decision making		
Type of Training		
Internal provision/supply		
External provision/supply		
Evaluation/Quality		
Benefit		

Motivation (Individual/Company)		

Summaries of evidence from the interviews includes comment such as:

Case Studies	Micro businesses
UK 9 employees	The company has a flexible product process and finds it difficult to exactly define what they specialise. They tend to manufacture products that meet customer requirements and manage the product from initial design to installation.
Comment:	<p>The CT that takes place annually or biannually within the company is limited to what is required by Health and Safety legislation and the certification that needs to be kept up to date.</p> <p>All employees multitask and use various machinery and vehicles. All employees undertake the same type of training as requested by Health and Safety regulations. Most of the training takes place in-house and on site using the company's machinery, equipment, and vehicles. An external tutor or instructor comes to the company premises where employees have to undertake some verbal and/or written tests.</p> <p>There is no formal continuous training within the company. Most continuous training is either informal on-the-job or self-taught with the exception of Health and Safety training.</p> <p>It is not financially feasible to get an apprentice. The company attempts to contribute to the community by encouraging school visits to the company and providing basic training to school students and apprentices.</p> <p>There is no training budget for any training activities. All the training undertaken, both formal and informal, is paid for by the company. The company does not receive any government or subsidized training.</p> <p>The decision about CT is mostly informal on-the-job and ad-hoc as and when required and a joint decision between entrepreneur and employee.</p> <p>There is limited turnover of staff and thereby limited reason for activating CT practices. The company does not have any established stable relationships with training bodies to train their employees.</p> <p>Tacit knowledge is vital, as is the need for the recognition and capture of that knowledge.</p> <p>No role is evident for the Social Partners that will influence employee continuous training.</p> <p>Employee 1 was involved in training outside the company. Training was found very useful as now the employee is able to help in drawing the designs. No direct or immediate impact on employee's role/position in the enterprise, however, it has improved the employee's ability to work with AutoCad.</p> <p>Employee 2 is not keen in pursuing further training. No formal continuous training is undertaken by this employee through his years within the company. He has self-taught himself. The implication here is that qualification is not always regarded as necessary to demonstrate skill.</p> <p>Motivation is a combination of employee's personal interest and what is required by the entrepreneur to meet business demands.</p>
Spain 1 employee	(1) The company operates in a very determined, limited and specialized market. Its clients are usually qualified experts in the design, the architecture and equipment for the habitat in general, in other words, they are concerned with the relationship of quality to price of its products. The company changes its products in relation to demand and relies on "word of mouth" to produce

	clients.
Comment:	<p>The employer has so many functions within the company and faces considerable problems, including CT. The entrepreneur can not develop many CT activities because of the lack of time. However, he is very conscious about the importance CT has for suitable management and organization in a company. He has realized that CT is essential for achieving the established aims of the company.</p> <p>There is no formal balance between internal and external training practices. For internal training, in addition to self-directed learning, training is given to the employee by the employer. For external training, providers offer courses to the employer and he decides to participate or not, depending on the availability of free time.</p> <p>The owner-manager is the only person who takes the decision regarding training activities. Nobody else is involved, it is a simple and not formal decision making. If he could, he would establish a specific and determined training plan, however this would be impossible to carry out. The employee and the employer are training themselves over time.</p> <p>External courses have been offered by specific private training organisations, but the entrepreneur does not have time to look for other courses in spite of training requirements. He has refused some courses not only because of lack of time but also because they do not fit his training demands.</p> <p>The company has no a special budget for CT activities but the courses in which he has participated have been funded by FORCEM and implemented by private training organisations, subcontracted to the Andalusia Government.</p> <p>No training analysis takes place, or evaluation of preceding outcomes, or any drawing up of training plans or evaluation tools, etc. The decision making about CT practices in the company comes from an informal analysis that is made by the owner-manager. The courses have not been very good nor great quality. He thinks this is due to the lack of depth of the courses and little interest by the teaching staff.</p> <p>He assesses the degree of satisfaction of received CT and the internal training of his employee through an informal evaluation of training and learning that the employee has acquired. Following CT activities, he has not detected any important changes or good practices in the company.</p> <p>He emphasizes that micro and individual enterprises like his are not supported in all aspects by the responsible public organisations.</p>
6 employees	<p>(2) The Company supplies a CT service to its clients, and in their words: "The need for continuing vocational training is created by incessant technological advance". An expert trainer is engaged by the company. These trainers work in efficient way in order to train pupils and to obtain the necessary training to face technological challenges. In the last three years the Company has carried out CT at external and internal level, as well as self-learning. It has always considered CT essential for its workers and especially the sector for which it works. New technologies develop in a considerable way throughout time, therefore, the company considers CT a key element for its workers.</p>
Comment	<p>External training courses have been developed outside working hours and they have not been reimbursed to employees. The personnel have participated in at least one external course every year. This suggests approximately 50 annual hours per employee. v The external providers are sectoral bodies and employer's organisations. The company is a member by paying membership fees. In exchange for these fees, the Associations provide a series of services to their members, including training activities. The courses from these associations are funded by FORCEM.</p> <p>Self learning is continually carried out by all the workers. The Company believes that internal training is much more important than the external one. Self learning is developed individually by each employee, during labour hours, which is provided by a Virtual Learning Resources Centre, specialising in this sector. The Centre has its origin in the United States as "...in Spain there is no suitable specialised training for our sector, so, we have to use foreign virtual providers...".</p>

	<p>The enterprise's decision making about CT practices uses both the inductive method (bottom up approach) and the deductive method (top-down approach). Both of them involve decision making about implementation of CT activities in the company, depending on the requirements of the company at the time. The final decision to implement some kind of training is taken by the two managers within the company, but all workers are involved in the process although the level of participation differs. The decision is in some cases a consequence of the analysis of qualification requirements and it is taken after training needs' analysis and individual analysis of every employees' need</p> <p>There is a specific training budget for CT activities. Moreover, being a co-operative they are obliged to have a specific budget for CT for the company's personnel.</p> <p>There is established a training plan that can be modified according to the needs and training gaps detected in the company. The evaluation that is carried out after the participation in the training actions is totally informal. Training is predominantly internal, and there is a transmission of knowledge between the personnel with more experience and those who have less experience.</p> <p>The work load which they have to face constantly prevents them from developing more training, internal or external. However, the lack of supply of specific training in Spain brings further difficulties for suitable training.</p> <p>Employee 1 states motivation for participating in training is both professional and personal. From a professional perspective he has to participate in training since this sector is evolving permanently. It is also personal as he always wants to do his work correctly and in effective way. He carries out continuous self learning, during working hours and also during his free time, for personal motivation. He has indicated that the external training is less good. The principal disadvantage is that he has to dedicate time to the training and he cannot dedicate this time to do his work.</p> <p>Employee 2 emphasises that the motivation to take part in training comes from both parts, from himself and from the company. His principal motivation in training is personal and the desire to extend his knowledge.</p> <p>With regard to the quality of training, he distinguishes between internal training, which he thinks is very good, and external training, which according to his opinion, is good only sometimes.</p>
<p>Germany 7 employees</p>	<p>The company's main products are banisters and railings, parapets, and front roof extensions. Further products include the construction of industrial metal halls and other high-grade steel finishing. The company's typical customers are end users or private customers. However there are occasional orders from larger companies. The company operates in a regional market with 6 to 7 competitors. But these are larger firms, whose main customers are manufacturing companies and their products are different. They only offer a few identical products, where direct competition is present.</p>
<p>Comment:</p>	<p>All important decisions and acquisitions are made by the owner of the company. The work is carried out and completed in small teams. The main business priorities are to simply keep the company going with the same number of personnel and a similar turn over each year.</p> <p>The manager is only prepared to send his apprentices or craftsman to attend external courses. He doesn't acknowledge that any training should take place on the company's premises. Although he sees certain benefits with external on going training for his company, in reality, he only sends his employees on courses when officially instructed to do so. The emphasis is to improve and to keep the participants up to date with product changes. The participants learn the latest welding and manufacturing techniques. Other courses attended by the employees are to do with health and safety at work. The company receives offers for different soft skill courses from private institutions, but this manager doesn't see any real benefits in participating. The participation of the courses offered by the German Chamber of Commerce is compulsory.</p> <p>The general approach is that training is not a top priority. Because of this</p>

	<p>there is no short or long term plans in the business strategy or personnel development. The seminars, that the selected employees have to attend, are not cheap and take up much valuable time. Because of this there is very limited enthusiasm left over for any kind of further training. Soft skill courses for the management or the office assistant are not planned in the foreseeable future. This company has no set budget for its training. The costs come out of its overall budget. The company doesn't have any public funding for its training. The manager himself has personally attended courses in business management, financial management, as well as various courses connected with personnel management. From his point of view these courses were not terribly beneficial. The content and course objectives were more focused on the requirements of larger companies. The trainers responsible for these courses had limited knowledge of working in small companies. They were unable to fully relate to this manager's needs. There is a discrepancy between the needs of small companies and what the training market can currently offer. The manager would like to see more tailor made courses offered to specifically fulfil his requirements.</p> <p>Everyone profits from attending the Chamber of Commerce courses. The employees obtain certificates which better their career prospects and the company benefits from the increased product knowledge. The employees receive certificates with each course they attend. These certificates help improve the overall qualifications of the individual. The manager rewards his employees purely in a financial form.</p> <p>The company doesn't have a special strategy or set formula to measure how successful the training has been. There is no formal testing or examination regarding the newly acquired knowledge. The manager only looks at the overall standard of work to attempt to gauge how effective the courses have been. The employees are not given the opportunity of saying how successful a course may or may not have been. No questionnaires have to be filled out or reports written. The manager assumes, rightly or wrongly, that the employees would automatically tell him; if there is anything special he should know.</p> <p>Unfortunately, the manager does not equate the financial benefits with training success.</p> <p>The employees of this company work at different building site, and a questionnaire was designed but only one apprentice was prepared to fill this in. The only reason for participation in training courses is individual career development for the employees. This newly acquired knowledge is absolutely necessary for their day to day work. The courses are paid by the company. Generally speaking this employee appears to be open to other forms of training. The overriding factor is simply, "will this enhance my long term career prospects?"</p>
Italy	No micro businesses interviewed

Case Studies	Small businesses
UK 26 employees	The company is one of the leading companies in the Northwest of England in the field of thermal insulation engineering and licensed asbestos removal. It services clients locally, nationally and overseas (Ireland) as well as a large range of thermal insulation services. It is licensed by the Health and Safety Executive for the removal and disposal of asbestos containing materials (ACM's) and possess both the facilities and trained staff to carry out full or part surveys of properties to identify the presence of ACM's.
Comment:	The company has a limited turnover of staff. All their staff have been working with the company for the last 12-13 years, Most of the training is on-the-job training. The manual workers are the main resource of in-house training. They currently have an apprentice who is trained by older employees. Overall the training provided is mostly procedural due to the low level of technical skill required in the removal of asbestos. However, all employees are trained to supervisor level. They are trained in Health and Safety which is compulsory training and there is a refresher course every year; procedures

	<p>on how to erect scaffolding towers, climb ladders, and working at height; qualifications to allow them to undertake surveying and First Aid. Participation in CT training is compulsory for all employees irrespective of the role they play within the company. Although the focus is on compliance with regulation, there is additional pressure to ensure employee competence simply from the imposition of escalating costs of other factors such as insurance cover that must be a result of increasing litigation in the "blame" culture.</p> <p>This company is very highly regulated by the Health and Safety Executive and the Land Agency training is being prescribed by regulations. So the company is limited in their choice of continuous training.</p> <p>The decision is taken by the directors and/or managers to train all their workers to supervisory level and with the Health and Safety training. The choice of Health and Safety trainer is influenced by three factors: price; location of training and type of syllabus. The UK is now developing a range of Sector Skills Councils (SSCs) whose function will be to provide formalised training in consultation with the various Trade Associations. It is still unclear whether SMEs will have a significant role in view of the difficulties engaging them in the Social Dialogue and their much more limited resources in comparison with the "influential employers" in the SSCs.</p> <p>No budget is set for CT activities as most training is on-the-job and with the help of more expert employees. No public funds are used for CT of employee and manual workers</p> <p><i>"There is no formal evaluation as such...it is successful in the fact that our operatives attended it and passed ... and in doing so we're providing them with all the regulations that we are required to... I can't really speak about the new syllabus because I've not been on it. I've got a good idea what is going on... I know it covers everything I would expect it to and even more."</i></p> <p>Employee 1 (Accounts manager) is the only employee who is undertaking formal continuous training. Motivation is to continue further education and gain an MBA in accountancy and to improve awareness of sort of modern business techniques and procedure and see whether they would be any use to the company. It is a part-time course at the Open University attended on Tuesdays and Wednesdays. The course is a combination of accounting and finance, and commercial content.</p> <p>The company pays for the course. Its duration is three years and he found it very useful to apply theory to practice. Doing the MBS is applicable to the company and his work. Theory is applicable to job as accountant. It is mainly for achieving a personal goal.</p>
<p>Spain 36 employees</p>	<p>The Company is based on the manufacture of machinery and equipment and was created with the aim to offer to the market design of engineering projects, with the support of advanced technologies together with highly qualified personnel, covering the needs demanded by their clients with the criteria of efficiency, competitiveness and profitability.</p>
<p>Comment:</p>	<p>CT has been increasing in the last years progressively, especially for internal training. This is due to the fact that the quantity of work fluctuates considerably and employees have to be continually updated. Training has been both external and internal as well as self-learning that is carried out by each employee and meetings and conferences provided by experts in aeronautics, managers and employers of the company. The company requires specialised training on new technologies and employs experts who provide training courses to a certain number of employees. After this training, those employees provide courses received to the rest of the personnel. Transmission of knowledge takes place from the most trained personnel or with more experience to those who have training gaps, related to the projects that they are developing. The number of participants occupied in training depends on the volume of work. Employers decide the training in which they take part.</p> <p>Technical personnel participate in both internal and external CT. Most of them</p>

have taken part in external courses.

The relation of the total costs for training courses per participant is very difficult to calculate in detail. The costs of training provided by the company's employees or employers do not incur any additional expenses since the internal training is carried out during work-time. Depending on the type of training needs external training providers may be required,

The company operates quality and learning analysis, since this is required by the certification that they possess. They carry out accounting of the hours occupied on training individually and collectively and verify improvements.

Generally, employees communicate to the area/department responsible the training needs that have to be covered for the optimum accomplishment of the work. Once the training needs of the company are identified, depending whether the required training is external or internal, a definitive decision is taken. The lack of time for the personnel, due to the high volume of work they have to face, added to the cost of the external training means that most of the training is carried out internally or through self learning.

Specific work imposes a time limit for the delivery of projects. This requires that personnel have to assimilate training very quickly that has to be immediately applied. Therefore, there is not much available time to produce a detailed plan in the long term, as it depends on the objectives and duration of the project. New machinery, new technologies and new tools require training by suppliers.

There is a limited number of experts at national level who are important professionals employed by Public Institutions or Universities and contracted as independent professionals or freelance. They provide good quality training courses and the company will continue contracting them if they are satisfied with previous training. The final decision to implement training does not only depend on covering training needs, unless this is key to the achievement of a project, but on the costs.

There is no specific training budget but a series of resources depending on the need. The costs are always evaluated in a exhaustive way before the decision to implement takes place. The company has only received a public grant from a Learning Resources Centre specialising in new technologies training. The company does not contribute to public sector or other institutions or receives any type of funds from such institutions. They have never received any funds from FORCEM. If employees decide on their own initiative to participate in courses financed by FORCEM they have to do them outside of working hours. The company has two trainees and they are paid by the company, which does not receive any public incentive.

There is no determined or fixed period for the implementation of CT in the company as it is linked to the volume of work for employees and available time. An analysis of future personnel and/or qualifications requirement is carried out continuously by the person in charge in every department. Employees also individually analyse their own training needs or qualification requirements not only with the aim to work more effectively but also to achieve other personal aims. CT is a very important policy of the company.

Two types of evaluation are established: formal evaluation through tests of efficiency designed by the person in charge of the training and informal evaluation of internal training through conversations with the participants, to assess the degree of satisfaction and the quality of the training.

Employee 1 in most cases assess his training needs in the production process. He communicates them to the person in charge of the department who informs the person in charge of training. They consider the opinion of employers to implement training measures.

Motivation of the employee to participate in CT is very important, not only professionally but also personally. Motivation also frequently comes from the person in charge.

The CT that the employee has received, both external and internal, has totally been financed by the company. The employee suggests that external training, provided by experts of the sector, has been very good. He rates

	<p>internal training as average and thinks this training is more informal since it is transmitted from a few personnel to others. Training has brought an increase of responsibilities as well as some promotion and he has now thought of possible change of occupation but he is less likely lose his job because of more training. He has an important personal initiative to continue being trained from a LLL perspective.</p> <p>Employee 2 states that training actions usually come from the initiative of the department head in consensus with the training manager. Her main motivation is fundamentally personal although related to professional development to increase her production and salary. External training has been very scarce. This training includes new technologies and computer science, with approximately 5 or 6 courses a year, but participation depends on the availability of the person in charge.</p> <p>CT, both external and internal, has been totally financed by the company. Her responsibilities in the company have been increased although it has not led to promotion for her.</p> <p>She has expectations for the future by being trained and educated for her professional life, as for personal reasons and her approach includes a larger LLL perspective.</p>
<p>Germany 40 employees</p>	<p>The company consists of a manufacturing plant and an engineering office, manufacturing high quality steel products including halls, steel constructions for hydraulic engineering, bridges and industrial constructions. The majority of the company's customers are public institutions, communities and port authorities and to a lesser extent also industrial plants. The annual number of customers is 4 to 5 for major orders or 10 to 50 average customers. Classic competitors are major groups. The number of competitors depends on the orders.</p>
<p>Comment:</p>	<p>Both managing directors are in charge. They are responsible for making the top level decisions for the company. Some issues have been delegated to the managers. The work is performed in teams based on the single orders. Training courses and seminars are offered externally as well as on the company's premises. Multiple learning processes result from cooperation between the individual project teams. The participants benefit from each other's specialised knowledge. Specific training or "know how" is acquired in external training courses.</p> <p>An informal learning process prevails in the company. To some extent, formal internal training courses are conducted when new machines or technology are introduced. External training courses are without exception formal courses.</p> <p>New employees are trained by experienced colleagues. The welders' knowledge is checked on a regular basis. Training courses include professional competence courses, seminars on safety at work, seminars on taxes and finances as well as data processing.</p> <p>Training courses are offered to the company by private and public institutions, the chambers of commerce and government safety organisations.</p> <p>The costs for training courses and seminars vary significantly. There are no free courses. There are, however, professional courses in the area of specialised knowledge and additional costs for travel and accommodation as well as training facilities and premises are included in the price.</p> <p>The company management decides if and which training courses are provided for the individual employees. Requests and requirements expressed by the staff are however taken into consideration.</p> <p>There is extensive dialogue and cooperation as far as the decision making process in training is concerned. Accordingly, the decision making process is also handled at two levels. The company management as well as the employees can be initiators.</p> <p>The process of selecting training courses can be "top down" as well as "bottom up". In most cases, there is a need for qualification first followed by an examination of the options. The company is, however, also regularly informed about seminar options and this may also direct attention to training</p>

	<p>needs. To some extent, the seminars are compulsory so a decision making process is not an option. Based on national regulations, the chamber of commerce and the industrial inspectorates are part of the qualification process.</p> <p>The examination of the training needs and options is not part of a strategic and planned company activity. It results from the needs which arise. At the beginning of the year, the necessity for training is considered and if it is considered necessary it will be included in the planning. There is, however, generally no schedule for planning training courses.</p> <p>Future personnel training or qualification needs are only conditionally analysed and have therefore little influence in the decision making process. The overall decision making process is left to the last moment and a "just in time" process.</p> <p>The reasons for the training activities are based on consolidating and maintaining the skills and knowledge of the employees within the company's core competence. Maintaining a high technical standard requires the company to be up to date constantly. Consequently, the introduction of new technology added is also motivation for training. The transfer of knowledge within the company varies. Everything is possible from the individual training of new employees to groups of learners and project workshops.</p> <p>The company has no set budget for training activities. The costs come out of its overall budget. If funding is possible, it is being taken advantage of. The company conducts its own research as to what kind of funding is available. No information system exists.</p> <p>The company does not have a special strategy or set formula to measure how successful the training has been. There is no formal testing or examination of the newly acquired knowledge. Deficiencies will quickly become apparent in the day-today work. There are no special instruments to measure how satisfied the participants are with the training. There is no special reward policy for seminars attended as the company management has not considered reward measures a necessity in the past.</p> <p>The works council does not play a role in training activities. The necessity for training has not been questioned in the company. The company's own individual market segment continues to require special knowledge and skilled employees. Qualification and training is regarded as extra job security.</p> <p>Employee 1 states that decisions on training seminars are made by the company management in coordination with the individual. Both sides are involved in the process.</p> <p>Motivation is individual career as well as personal interests. The two cannot be seen as separate factors as each individual's professional development involves a high degree of personal engagement. A drawback is the time involved in getting to far away seminar locations, a consequence of attending an external training course. All training courses attended were external. All costs incurred were paid by the company.</p> <p>There is a wide difference in the quality of the individual training courses depending on the competence of the instructor. Frequently, the success of the seminars does not live up to expectations. In hindsight, the time, effort and expense involved seems too much. This curbs the interest in attending seminars significantly.</p> <p>No professional advantages resulted from attending training courses, neither in the form of promotion nor in the form of other benefits. The motivation for participation lies in job security and in the natural desire to do a good job.</p>
<p>Italy 30 employees</p>	<p>(1) The company produces steel wire destined for industrial use, using the most modern technologies in the dry or humid wiredrawing, both in thermal and superficial treatments: lead patenting, heavy hot zinc galvanizing or phosphation of semi-products. The enterprise entirely focused on production. With retirement of the workers the know-how that each one had acquired over the years of work has disappeared.</p>
<p>Comment</p>	<p>Continuing Vocational Training is necessary to remain competitive and offers employees the opportunity to do something different from the normal job to</p>

improve professionalism and ability to carry out the task assigned to them. every new member of the staff has an internal tutor who answers for him and is responsible for passing on to him all that is necessary for his job, including requirements of health and safety. Tutorial support is formal with a table on which the tasks are reported, the scheme, the necessity for training, defined also on temporary basis and can be termed as "non formal". After induction training the employee is officially 'certified' from which time he becomes accountable for the work carried out, time and production.

External and formal training is suggested to the employees who are provided with parameters for their specific jobs. A 'portfolio' for each employee records training progress of professionalism, knowledge and competences.

The company has participated in a project sponsored by Apilombardia to provide analysis of the training needs in the enterprise that initially focused on health and safety and developed distance training assisted by an external trainer, although currently there is no official certification.

The enterprise does not analyse the training costs that are carried out by its workers.

For external training, the cost sustained is the time dedicated to learning activities by the workers and the co-funding that the enterprise guarantees. Every other expense is covered by the local authority *Area Formazione dell'Api di Lecco* that offers the opportunity to benefit from training initiatives financed by the European Social Fund.

The company finds that training as well as the resource of tacit knowledge of workers is essential to development and the maintenance of the market position. CT ensures that the professionalism of the employee is always updated, through *lifelong learning* that promotes courses and training initiatives to meet skills gaps, learn new things, broaden knowledge to react to the technical and commercial needs of an aggressive, competitive market. Decisions are made following analysis by the management who consider the proposal for the course, specifying the objectives and methods to assess the cost. The proposal is then submitted to the directors who approve it for implementation. Some proposals originate from the bottom if there is a need to learn a new technique, or to learn English, because the company deals with foreign clients and suppliers.

It receives commercial proposals from consultants and training bodies who propose courses of all types but cannot participate in all of them. It selects those that are really necessary and useful for improvement in the professionalism of its workers and its competitive ability. It maintains close contact with advisers like the trade association who know their requirements and the evolution of the sector in both national and international terms.

Internal training includes transmission of the acquired knowledge and 'know-how' of experienced workers, especially those who retire, to new employees. External CT is adaptable to training needs as they emerge and require knowledge and ability to answer to new and old problems. Training courses, compulsory by law for the enterprise are, for example, RSW (Representatives of Safety Workers) or MSPPS (Management of Safety, Prevention and Protection Services) or first aid.

The company does not have a real training budget, even though some items are planned ahead that correspond to compulsory training and training needs. The trade association prepares a plan of training offers that do not incur excessive costs, since the projects are mostly financed publicly. Recently, the enterprise joined the *Fondo Interprofessionale per le PMI (Fapi)*, (Inter-professional Fund for SMEs) that the national trade organisation promoted with the Unions and through which it hopes to pursue and benefit from funds for CT for its own workers.

Once a year a training plan is prepared taking into consideration the various needs for compulsory courses CT although there is nothing static which allows necessary changes according to circumstances. The process that leads to the definition of the requirements of training are stable and codified.

It tracks analysis of future and current personnel needs planning information

	<p>and activities from preceding years and a training plan is prepared. Verification of training results for CT is more informal and consists in a dialogue with the employee who has completed the external training course, to understand its result.</p> <p>Employee 1 confirms that training decisions are taken by management. Training took place during working hours. There was also a distance learning course during working hours, with the use of PC/Internet.</p> <p>Costs were met by the company. Evaluation of the quality of training was very positive for internal training; positive for distance learning.</p> <p>Employee 2 also confirms decisions taken by management. Motivation was personal development and costs paid by the company.</p> <p>Training was aimed at improvement of work but there were difficulties following the course and working at the same time.</p> <p>Evaluation of course was 'interesting'.</p>
12 employees	<p>(2) Supplies products and services of a high quality in the sector of electronic power for electro thermal applications and in the sector of industrial control of mass production. Clients are, constructors or users of such technologies and one of the main priorities is to supply them with professional solutions in conformity with the specific exigencies. A demanding new market in which the company is now. investing is that of microwave heating in particular for industrial use. This highly innovative and competitive market requires constant updating.</p>
Comment	<p>Both internal and external training is used, with about 40% internal training and 60% external. The only form of CT is a formal training course delivered either internally or externally. In the last three-years <u>all</u> employees participated in training courses.</p> <p>The owner takes the final decision. In the past, however, he also evaluated training proposals received but now this is left to staff and management who analyse proposals deemed interesting and useful by them for their daily work and submit them to the owner for agreement.</p> <p>There are three or four training agencies with whom the company occasionally collaborates, and the University of Modena and Reggio Emilia is extremely important (courses leading to a degree in electronic engineering) as a partner. The decision to implement external or internal training is taken depending on the external training offer. If training concerns technical aspects internal training is preferred as it is more flexible and cheaper.</p> <p>The main reasons for CT are repositioning in a new markets and acquiring knowledge of human resources and the know-how they represent.</p> <p>No special budget for CT or other training for such activity is allocated, but training courses often co-funded by ESF (<i>European Social Fund</i>) or funds from other bodies are utilised. The company pays a subscription toward the joint fund of Fapi (<i>Training Fund of SMEs</i>),</p> <p>An annual training plan is produced, but possible changes are always allowed, depending on opportunities that arise. The process is still discretionary; although the decision to train is integral to company policy, its implementation is pragmatic.</p> <p>Analysis of annual self-evaluation of the level of competence of is carried out to assess specific improvement. However, no one individual is delegated to carry out analysis of training requirements. Benchmarks are set for every employee who chooses to train on what he deems appropriate and meets training gaps.</p> <p>The choice of training does not principally derive from the results of the previous years, but training courses that have borne good results are inevitably considered.</p> <p>Value-added of CT has made it a part of HR management policy There is an informal system of evaluation. Each participant provides feedback to colleagues and management. However, a formalised system of evaluation of the impact of training course does not exist.</p> <p>The company does not certify the competences of employees who have attended training courses.</p>

	<p>In the enterprise there are no Union representatives so social partners do not play a major role in CT decisions.</p> <p>Employees maintain that they do not necessarily understand the evolution of CT relevant to their work, but do advocate a reduction of the bureaucratic practices for participation in the courses financed or co-financed by ESF.</p> <p>The main motivation for training is linked to the strategy of the enterprise to develop new markets and to increase competitiveness. Equally important the philosophy of improvement in competences is a result of changed thinking by management.</p> <p>Employees confirm that training, in terms of direct costs and in terms of loss of income, was paid by the company. Self-evaluation of training suggests a good level of satisfaction in the perception of employees and owner.</p> <p>No impact of the training in terms of promotion was noted but the participants reported an increase in their own competences. The cost/benefit ratio was perceived as positive, even though a systematic process of evaluation of the economic impact of training on the production processes is not conducted.</p> <p>The main criticisms are the difficulties in applying what has been learnt in the training courses to every day action in the company. Negative comment on training generally concern the quality of the teacher rather than the course content.</p>
<p>31 employees</p>	<p>(3) The enterprise produces brakes and clutches for the agricultural machinery market and for some industrial applications. It is a supplier of main plants to the most important national and European constructors of tractors and earth-moving machinery. The range of products has extended to include friction materials for the most varied applications and in the last decade, major investments have permitted renewal of the internal laboratory with sophisticated machinery, where simulated tests can be carried making it possible to improve the performance of their materials.</p>
<p>Comment</p>	<p>Competition has required the company to develop new markets, especially in its service to clients: it is equipping its research and development laboratory (using sophisticated machinery that very few enterprises own) and putting it at the disposal of local and foreign enterprises. This has necessitated significant review of training in the company.</p> <p>In the past, the company turned mainly to external bodies (in particular to the employers' association: Api Formazione) but over the last years, it has chosen to plan and manage training 'internally': the courses take place within the company and managed with its own resources; they are directed to all the employees. It does not make use of public funds any more.</p> <p>Over the last years, the enterprise preferred CT courses carried out in the workplace, using trainers (internal personnel generally) who had previously taken courses organised by Api Formazione). Quality, safety and environment are principal areas to enable the company to reach good standards and remain competitive with formal certification</p> <p>Up to the present training was limited to the personnel in the workshop, but now the company has organised a training course on computer science for commercial and administrative personnel who have now previously participated in training courses.</p> <p>The only cost is that of the teaching hours; as the trainers are employees and that relating to hours of overtime paid.</p> <p>Both bottom-up (analysis of the training needs) and top-down decisions (from availability of resources) are used. Training needs emerge after problems in production are identified; for example problems linked to an excessive number of rejects or other problems in the process and the company to analyse the cause. If the problems were connected to a lack of information/training, training course are considered. The company usually verifies the competences required for the various jobs and the effective competences of employees; if there is no correspondence between the two, then training courses are activated to fill the specific " training gap".</p> <p>The managing director makes decisions together with the quality manager, or</p>

	<p>the person who is more aware of certain problems and agrees the training required. Now that the company has environmental certification, the manager of the environment department will also be involved to integrate quality and environment. No specific training roles exist; The quality and environment manager will conduct training projects and provide training in the classroom. Reasons for CT are to increase and develop the abilities and competences of workers, to face changes in the market that impose the use of new technologies and new products, and to maintain its place in the market. No special budget is used for Continuing Vocational Training. The company does not use public funding, because the training projects are not applicable. The company has contributed to the "Inter-professional Fund" but so far has not had the occasion to access it.</p> <p>The company does not yet have a defined frequency and times of training: the decision is based on specific problems, even though twice a year the managing director and the manager for quality together review the situation to fill in training gaps. It is a process that is being reviewed and their strategy for the future is orientated to more planned training. They will also organise courses after work hours.</p> <p>The company maintains that, so far it has obtained poor results from training outcomes. Once or twice a year the company carries out an internal analysis of the results reached and the problems resolves. Including objectives of CT, although there is no defined procedure. It uses a process planned by the quality management that makes use of forms, specific record cards for every worker (courses previously done, previous qualifications, main activities carried out, different duties that can be accomplished, etc.) and the so-called 'inter-exchange matrix' (a table indicating capabilities of the employee, if training on other machinery was received and other jobs, etc.). It tests at the end of the course and assesses the abilities of the worker.</p> <p>The company evaluates satisfaction of the trained employees as it decided to continue organising courses for the ones really motivated; this is also to reward the trainers (usually employees). Up to now it has not provided, but it is considering rewarding motivated employees who attend training courses (e.g. an economic reward on reaching certain objectives).</p> <p>The social partners are involved, in that the Unions intervene to mediate on some problems and also on matters regarding training.</p> <p>The main motivation for employees to participate in training is to ensure updated competences. Training is at the expense of the company; even though in the past training courses were carried out and financed by API; presently the employee 'finances' training by making himself available during his free time.</p>
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Case Studies	Medium businesses
UK 50 employees	<p>The company specialises in specialised casting e.g. casting in aluminium copper based alloys, castings in bronzes and copper, and specialised irons. They produce products that are very uncommon in their industry. Their customers are mainly national rather than regional. They have a growing customer base. This is due to the overall shrinking of their industry. They face some competition but not a high level of competition.</p>
Comment:	<p>They have the skills to ensure the quality of the products and: <i>"we are going to diversify into handling produce that's manufactured abroad."</i> This is a new venture for the company and where there might be high level of competition from other companies, and will have significant implications for workforce training.</p> <p>Within the last three years, employee continuous training has been limited to Health and Safety as required by regulation to comply with local authorities. The main reason for lack of continuous training is the company's struggle for survival and coming out of a crisis. All employees go through an induction training schedule which is mainly informal and on the job. It is interesting that training is perceived as potentially difficult to obtain externally.</p> <p>They have got a balanced work force who have been with the business for a</p>

	<p>long time and are very stable. They have not brought new people as they had done in the past. As a result there is limited training and no specific training fields are covered. They suggest they are limited by the characteristics of the job: <i>"It's difficult to get the right calibre of person to do this kind of work (hard, hot, dirty), and yet the people who actually do the job have got to be, what's the right word, motivated"</i>. This implies a "crisis management" form of decision making, and given the almost exclusive in-house training process, there is a tendency to regard training, therefore, as an "off-balance sheet" cost.</p> <p>Directors will be undergoing IT training, but scepticism about the value of training provision has conditioned their thinking – an approach to Business Link programmes found them not particularly suitable.</p> <p>No employee was interviewed in this company.</p>
Spain 86 employees	<p>The Company is based on fabricated products of metal, except machinery and equipments. It started up with the manufacture of ceramic earthenware pipes for water distribution and become an important supplier for the leading companies in the steel, cement and glass industries. <i>"There was a moment that certain products fell out of the production because of lack of competitiveness on the market. Therefore, it was necessary to begin to train the staff, especially on integration of new services tied to new products"</i>.</p>
Comment:	<p>CT is a key element for the development of the company in order to adapt itself to new technologies of the sector and more competitiveness in the market.</p> <p>The company does not have a Training department, but has a training classroom where it develops several training activities. When the company employs a new person, he is given specific training by the company, depending on the department he is going to work for. Internal CT is carried out permanently within the company; External training is a more standard training, covering several fields including Management and administration / Marketing, Occupational health and safety, Environmental Protection and English Language. In this case, the rate of participants out of employers' total number is 50 %. This training is received by most of the technical personnel of the company. There is no information about the time dedicated to training. The rate of participation is more than 70 %.</p> <p>Normally, 100 % of manual workers receive initial internal and non-formal training, because they have a high turnover. Technical personnel and management receive more external courses than manual workers.</p> <p>Training is carried out during working hours, although in some cases, they can occupy hours outside of work-time. If this happens, the company does not reimburse these hours.</p> <p>There is no formal balance established between internal training and external training. The company is simply managed according to its training plan, which is designed at the beginning of the year, though this is not always accomplished. The principal aim of the company is to cover training needs detected. External training providers have included: specialized Institutions, sector or employers' associations, partner/enterprises from the sector, Private Training Organizations, equipment suppliers, Chambers of Commerce and Professional Colleges. Self learning does not exist and there are no distance learning methods in this form of CT that include using video / audio tapes or e-learning.</p> <p>Training courses take place during work-time, though in some cases, especially courses given by external providers, they cover hours out of work-time and these hours are not paid to the participants by the company. Non-formal internal training in the training classroom does not incur internal trainers' extra labour cost, since these courses take place during work-time.</p> <p>There is no established formal process for detecting training needs or implementing specific training courses. This procedure is carried out through different informal meetings. The process of decisions making about CT activities is stable and annually follows a few common guidelines. It is an informal process and is based on consensus, taking into account the</p>

	<p>personnel's opinion, both collective and individually.</p> <p>There is no specific budget for CT activities. The company does not receive any type of public grant to carry out training activities and it does not contribute to public sector or other institutions to finance CT activities. The company sometimes has apprentices or trainees through agreements with Universities but it pays these trainees, without public funding or private support</p> <p>Once training activity is finished, questionnaires are distributed for evaluation to be completed by all participants to verify the level of satisfaction and knowledge acquired. These questionnaires are checked and their results studied in an informal way by the persons in charge after a meeting. On the basis of this analysis the training quality given by external providers is valued, and this determines future training actions. Training needs are analysed individually to design a training plan for each employee. Training initiatives come principally from the person in charge of the department, though, sometimes from the employees.</p> <p>Employee 1 states that his principal motivation is more related to professional reasons and personal motivation depends on the course content. He is going to participate in an English course in the United Kingdom, with all the expenses paid by the company. He is going to go there during his holiday. He thinks this disadvantage is not important since these courses are very expensive and it is an excellent opportunity. He thinks that the quality of training has been good in general terms and the training in which he has participated has answered his expectations and initial motivation. He believes CT is very important, if the company funds all training activities. He would be interested in participating in other kinds of training courses by himself depending on the costs.</p> <p>Employee 2 states that her motivation to take part in training courses is professional. She participates in courses only related to the sector in which she works and exclusively to work in a more efficient way. The courses are always on a work-time basis except one week to visit suppliers taking part of her free time.</p> <p>She evaluates the training and the course aims are designed by the company. If she observes that these are not being achieved, it is communicated to the trainers to solve the problem and adapt to the aims established.</p> <p>She has a mainly professional motivation to improve her work, although she argues that there is also a component of personal development.</p>
<p>Germany 84 employees</p>	<p>The company produces specialized electrical and security systems for computers. Other areas include communication and media systems as well as advanced telephone technology. Their main activities used to be concentrated in the regional market. However, in recent years, there has been an expansion in national and international business activities. Furthermore, it is planned to concentrate even more on establishing further growth in these two areas. The products and services which the company offers is regularly changed and updated. The regional market has peaked but is relatively stable. New strategies are in place for further national and international expansion. The success of this is critical if the company wishes to continue growing further.</p> <p>The company is managed by a process of delegation. There are three decision making levels, each carrying certain powers of authority. Major financial decisions are only made by the top management.</p>
<p>Comment:</p>	<p>Most seminars and courses are external. Particularly in the technical departments seminars take place regularly.</p> <p>There are also an increasing number of internal courses being held on the company's premises. The two assistants were asked whether they felt the training courses were of a formal or informal nature. Their initial reaction was to say, that the courses were somewhat informal although they couldn't substantiate this feeling.</p> <p>The long standing personnel are responsible for integrating new employees</p>

into the company. They do this in the form of a short introductory course. Special working groups are formed to deal with particularly difficult problems. However, most issues are covered in the normal day to day working process. The aim of most external courses is to cover specialized areas of technical work. Other than technical seminars great significance is put on administrative type of courses such as book keeping and finance. Different courses such as key skills / or soft skills are not offered or financed by the company. Sometimes the employees pay for such courses themselves. Most of the courses are offered by private institutions. The majority of them deal with introducing and explaining new products which have just come on to the market. Hence, many of these courses are free of charge because it's in the company's interest to promote their own products. Approximately one third of the total employees participate regularly in the different courses offered externally. The cost of the different training programs varies greatly. There are numerous free courses offered by individuals and companies interested in promoting their own brands. The general managers are ultimately responsible in choosing which courses take place. The heads of department and team leaders together come up with a short list of courses they would like to have. The result of these suggestion lists can lead to a „top down“ or „bottom up“ situation. The necessary forms and applications are then filled out and presented to the management who then make their final decisions. The heads of departments and the employees are both equally involved in coming up with suggestions for further education. Every individual has an opportunity of having his say and is actively encouraged to do so. This decision making process is made internally without any external influence from other organisations or consultancy groups. The company is regularly informed from external training institutions of the varying seminars which are taking place locally as well as nationally. They then select those courses which match their specific needs. To fulfil correct trading practices which originate from the German government and the German trade union movement some employees have to attend courses whether the management like it or not. If the company does not send its employees to these courses they run the risk of not obtaining the necessary certificates and permission to continue trading. The first step is to ascertain the kinds of courses that come into question for this company. Then a comparison is made on whether it is financially better for the course or seminar to take place in the company or externally. Identifying the employee's requirements and the careful planning of courses is an important part of the company's activities. Planning always takes place functionally at the beginning of the year and if necessary extra planning takes place for additional courses in the second part of the year. The decision process is made for the short term as well as for the long term future. The company's position in the market and its probable future position are carefully analysed when course planning is considered. There are several factors to take into consideration for this company when deciding which seminars and courses their employees should attend. The first area is new technology and new products which are continually coming on to the market. The company's policy is that its key personnel should always be up to date. The second area is introducing and familiarizing new personnel to the company's goals. The decision making process is based on tangible improvements and benefits that the company perceives. In an ideal situation they want these benefits quickly and they want the courses tailor made to their individual requirements. The external courses are taken either in the form of group training or private one to one situation. They take place either in the company's training rooms or externally. They are normally offered in a traditional teaching style. This means the teacher is present at all times.

The payment for the courses is a set part of the company's annual budget. This company is unaware whether any funding would be granted by outside bodies or organisations. They have not taken any steps to inquire about this. They only take advantage of special prices or discounts that they already know about. They only have contact with their regular manufactures and their educational consultants. They try whenever possible to get this training for free or as cheaply as possible.

There is no central or national organisation in place where companies can make regular payments for future training activities and later withdraw it. The on-going training and development of the company's staff is a key feature of their personnel's strategy. All additional certificates and diplomas obtained are entered on each employee's records in the human resources department.

The information on the employee's record is a crucial factor in deciding which courses should take place.

There are no measurements used to determine how successful or otherwise a course or seminar may have been. There are no questionnaires or reports that need to be filled in.

The failures of training courses can only be picked up on a hit or miss bases, for example if it materializes that certain employees are unable to use new products which have been recently introduced and covered supposedly on the previous training course.

The employees are grateful to be offered the opportunity to improve their knowledge and further their qualifications. Because of this it is not necessary for the company to offer any incentive or reward. It rarely occurs that employees decline the chance to participate in seminars. However if occasionally they do, it is not frowned upon.

The social partners are involved but the works council only plays a small role in deciding the kind of training that is offered.

The transfer of internal knowledge from long standing employees to younger colleges is constantly improving. This can be seen as a positive development of the training activities.

Employee 1 confirmed that several different levels of management are involved in decision making. The willingness to participate in training either comes from the employees directly themselves or from the enthusiasm and motivation of the management. If the potential benefits or technical advantages are not clearly visible to the company's management it is far more difficult to get the managers to agree and finance training. The final decision making for courses participation rests solely with the managers of the company.

The motivation to take part in educational training lies in two areas. Firstly in personal development and secondly in increasing general career prospects. Seminars which are initiated by the company's management take place during working time. Other courses which the employees participate in voluntarily take place outside working time.

Courses organized by the company are paid internally. The private seminars are paid by the employees themselves. Occasionally there are situations where the company pays a certain percentage and the employee funds the rest.

The success or failure of the different courses and seminars varies considerably. She is mostly satisfied with the courses she attended. In one particular seminar she was immediately able to put the content into practice at her workplace. With other courses the transfer of knowledge is not so direct or apparent. She considers the biggest plus factor to be in her own individual development.

The participation of the different courses the assistants attended didn't lead to promotion or increasing salary. There are however other areas within the company where promotion is the logical consequence.

The relation between costs and content was disappointing. The courses offered by the company are generally overpriced and sometimes extortionate.

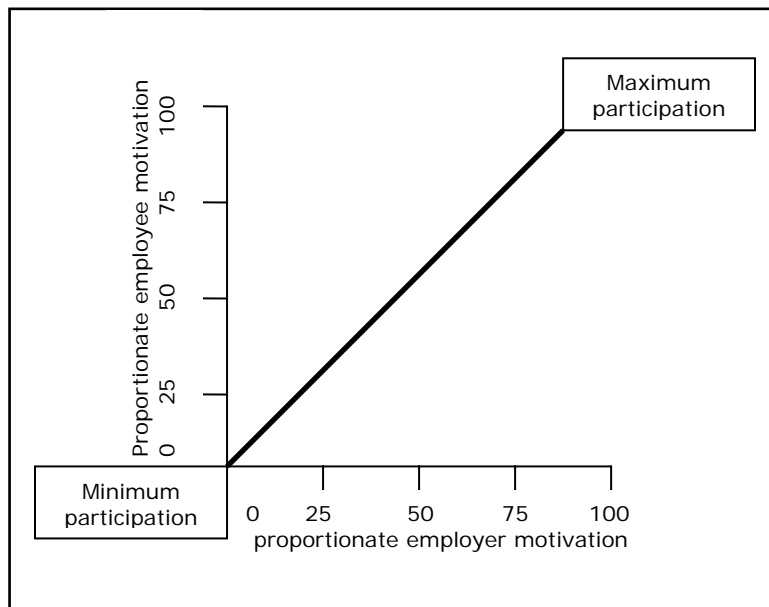
	<p>On the other hand the private courses booked by employees were perceived as being good value for money.</p> <p>The company has a long standing training tradition. In certain areas courses and follow up courses are offered very regularly.</p> <p>In this company there are no individuals, who are ultimately responsible for having a clear overview that the company's strategy is matched with training activities. No general concept is visible.</p>
Italy	No medium businesses interviewed

Findings

Elements of case study analysis:		
Company policies/planning		
Needs analysis		
Decision making		
Type of Training		
Internal provision/supply		
External provision/supply		
Evaluation/Quality		
Benefit		
Motivation (Individual/Company)		

Summary

One significant element of the take up of CT by the individual is the motivation of both employer and employee. It is clear that where this exists for both parties, the implementation of CT is much more likely. It can be expressed by a frequency chart as follows:



Motivation is expressed in terms of both personal development and for the improvement of occupational competences that are generally perceived to lead to promotion and higher income or greater responsibilities within the organisation.

Conclusion

Elements of case study analysis:		
Company policies/planning		
Needs analysis		
Decision making		
Type of Training		
Internal provision/supply		
External provision/supply		
Evaluation/Quality		
Benefit		
Motivation (Individual/Company)		

(11,918 words - target: 7,000)