

1 About the study

This introductory chapter starts by presenting the aims and objectives of the study, discussing the importance of employer-provided training, and briefly reviewing existing literature on the topic. It then introduces the research questions covered in the study, and the research methodology adopted. It provides an overview of participation rates in employer-provided training across countries and more specifically in the countries covered in the study, and discusses preliminary evidence on the impact of the COVID-19 crisis on the amount of training offered by companies. Finally, it describes the topics covered in the subsequent chapters.

Aims and objectives of this study

The importance of investing in upskilling and reskilling systems for adults has been at the forefront of the policy agenda for years. The issue is becoming even more urgent as economies start to plan for the recovery after the crisis brought about by the COVID-19 pandemic. The pandemic and related confinement measures have affected sectors and firms differently, and some economic restructuring can be expected in the near future. These changes will come with considerable re-skilling needs. In particular, digital skills are becoming more important than ever for individuals to adapt to new working arrangements. Soft skills are also increasingly required to work remotely and deal with continuous changes in job tasks. If the necessary investments in these skills are not made in a timely manner, we can expect that gaps between individuals and between companies will widen.

Investing in skills in enterprises can be a particularly efficient channel for upskilling and reskilling individuals. Indeed, firms are the place where most adult learning, both training and informal learning, happens. Developing training and learning within enterprises helps channel training towards identified and emerging skill needs, yielding benefits for society as a whole. Yet, not all firms are able to foster the development of their employees in an effective way. It is therefore crucial to look inside the black box of training in enterprises to understand what works.

There exists a wide literature on firm-provided training. Since the seminal work of Becker (1975^[1]), researchers have analysed the conditions under which enterprises provide training for general or firm-specific skills (Acemoglu and Pischke, 1999^[2]; Acemoglu and Pischke, 1999^[3]; Stevens, 1994^[4]), the mode of delivery of training (classroom setting vs. on the job, in person or online), and the advantages and drawbacks of each option (Ford, Baldwin and Prasad, 2018^[5]; Grossman and Salas, 2011^[6]; Kraiger and Cavanagh, 2014^[7]).

Existing research also studies the various benefits of firm-provided training, both for the enterprise (Brunello and De Paola, 2008^[8]; Konings and Vanormelingen, 2015^[9]) and its employees (Haelermans and Borghans, 2012^[10]; Kluve, 2010^[11]; Picchio and van Ours, 2013^[12]). It also highlights that firms face several obstacles hindering training provision, both stemming from external factors and internal constraints (Brunello and Wruuck, 2020^[13]). However, it is not entirely clear whether enterprises are fully aware of training benefits and the exact reasons why firms provide training or not, and to what extent, are not yet fully understood. Furthermore, while the literature is in general remarkably clear on the types of employees that tend to train more than others (for instance, younger, higher skilled, and higher wage employees receive more training, as it is also the case for employees under a permanent contract and in managerial positions), it remains unclear why this is the case (Dostie, 2020^[14]).

Besides training, enterprises can adopt two other strategies to address their skill needs: they can either hire individuals with specific competences, or outsource the activity for which there is a skill gap. The choice between training and these other options seems driven by cost-benefits considerations (Blatter et al., 2015^[15]; Mühlemann, 2016^[16]) but evidence on the reasons why firms choose one option over the others remains scarce.

Another strand of the literature analyses how training decisions are made within enterprises and who makes these decisions. The literature provides limited evidence that the presence of dedicated management functions, such as human resource managers responsible for the planning, implementation and evaluation of training, substantially improves the training offer in enterprises. However, the lack thereof is often made responsible for the absence of strategic attention paid to training in SMEs (Cardon and Valentin, 2017^[17]). Evidence on the effect of employee voice on training provision is also scant.

The decision-making process on training in enterprises itself revolves around five steps: assessing training needs, developing training plans, deciding on if training should be delivered internally or externally, selecting individuals into training, and evaluating the outcomes of training. In general, while the literature discusses theoretical considerations on these decisions, e.g. there is ample literature on how enterprises

should assess training needs, empirical literature is pretty scarce, e.g. there is little evidence how training-needs evaluation takes place in practice (Ferreira, Da Silva Abbad and Mourao, 2015^[18]; Salas et al., 2012^[19]).

Finally, the economic literature has also placed strong emphasis on the importance of workplace learning (de Grip, 2015^[20]). Recent work shows that informal learning is actually more important than other forms of learning in terms of incidence and intensity, and is associated with important benefits for individuals and enterprises (Fialho, Quintini and Vandeweyer, 2019^[21]). Yet, measuring informal learning has proven difficult, and it remains unclear what informal learning opportunities enterprises offer and what drives the adoption of these opportunities.

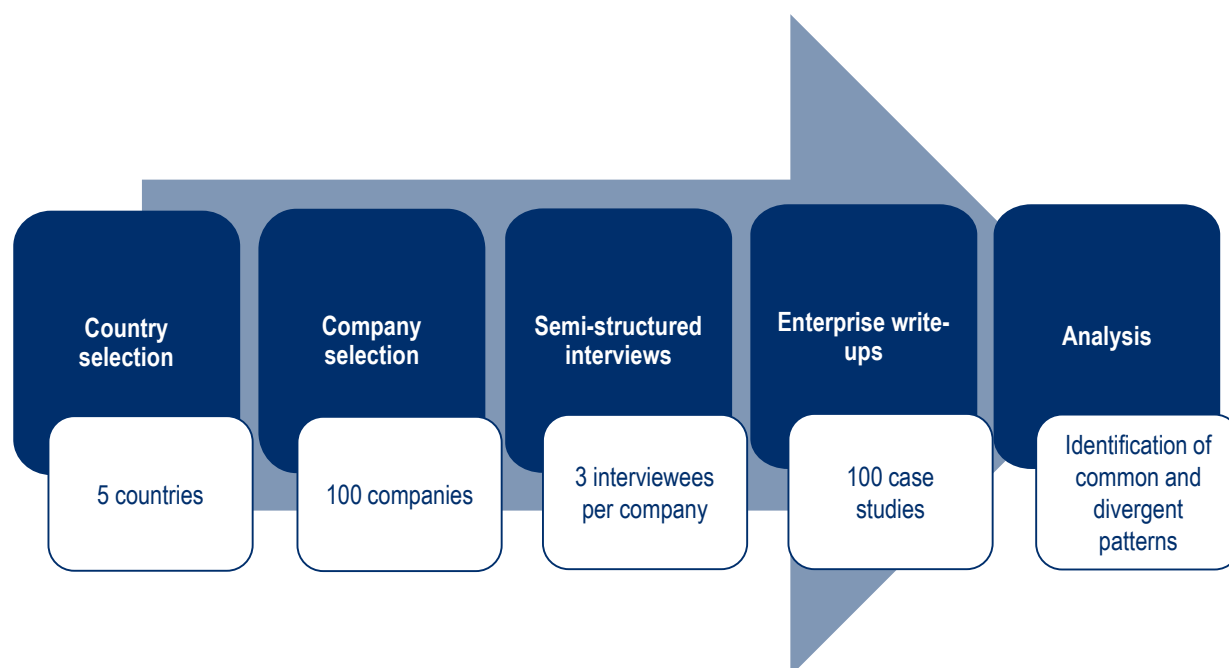
This report aims at advancing knowledge on the different literature gaps. It investigates what, why and how enterprises provide training. Understanding **what learning opportunities enterprises offer** is crucial to assess whether enterprises are targeting the skills, knowledge and abilities that are needed to prepare individuals for the future of work, and to clarify whether enterprises are delivering training effectively. This can provide useful information to better tailor support measures, and to understand to what extent learning in enterprises should be stirred in a different direction or complemented by actions outside the firm. Analysing the reasons **why firms provide training**, and whether these reasons differ for different groups of employees, is also of paramount importance. It will advance knowledge on whether enterprises are aware of the many benefits of training and whether they offer enough training to their employees. It will also help determine the role of public policies to foster training in enterprises and to reduce differences between groups. Finally, studying **how enterprises make decisions about training** is important to assess whether firms need support to plan and organise training, and, if so, to design appropriate measures. More generally, the what/why/how analysis can provide insights on potential new areas where intervention is needed. This study covers the following research questions:

- What kind of training do enterprises provide and how do they provide it?
- How do enterprises create opportunities for informal learning?
- Why do enterprises provide training?
- What are reasons for under-provision of training by enterprises?
- How do enterprises make decisions about training provision?
- What is the influence of enterprise characteristics, management and economic context on if, why, how and what training is provided?

Research methodology

To answer the research questions listed above, this study adopts a qualitative approach. This approach allows for an in-depth analysis of the issues at hand. It aims at complementing existing quantitative studies on the topics, by providing new insights on what happens within enterprises. The qualitative data collected for this project comes from semi-structured interviews in 100 firms in five countries: Austria, Estonia, France, Ireland, and Italy. Twenty enterprises¹ were sampled in each country. The different steps of the research methodology are shown in Figure 1.1 and detailed below.

Figure 1.1. Research process used for the study



Selection of countries

The study focuses on five countries: Austria, Estonia, France, Ireland, and Italy. These countries were chosen to represent a diverse set of adult learning systems and different approaches to employer-provided training. A discussion of how these countries differ regarding participation in training provided by enterprises is provided in the next section, using data from the Continuing Vocational Training Survey (CVTS).

Selection of enterprises

Enterprises were selected in the study following a quota sampling strategy. Quota sampling aimed to secure the diversity of the sample and, by extension, the generalisability of study findings. In each country, the sample of enterprises selected had to meet criteria relating to firms size, sectors of activity and location of the firm:

- The extent of training provision to employees varies considerably by **company size** (OECD, 2019^[22]). This study focuses on medium (50-249 employees) and large enterprises (250 employees or more). Small enterprises (less than 50 employees) are excluded from the study, as they form a sub-group with specific training behaviours and strategies, which has been studied in-depth in a recent study on behalf of the European Commission (CEPS, 2020^[23]). The aim was to sample 10 medium-sized and 10 large enterprises in each country.
- **Enterprises' location** likely has an impact on training provision, as the presence of education and training providers will vary between different regions and between rural and urban areas. The study aimed to sample 10 enterprises based in cities, towns or suburbs and 10 based in rural areas in each country. An effort was also made to ensure that the 10 enterprises selected in urban areas were not all clustered in the wider capital region (e.g. Tallinn in Estonia), but also sampled from other urban centres (e.g. Tartu in Estonia).
- Training practices of enterprises also vary vastly between different **sectors** of the economy and between more or less technology-oriented sub-sectors within them. To include enterprises in

sufficiently diverse sectors of the economy, the study intended to sample 10 enterprises in the manufacturing sector and 10 enterprises in the service sector for each country. Differentiating the selection by technology intensity, enterprises in the manufacturing sector meant to include five enterprises in high or medium-high technology sub-sectors (e.g. manufacturing of computers, pharmaceuticals or motor vehicles) and five enterprises in medium-low or low technology sub-sectors (e.g. manufacturing of plastic products, food products or textiles). Differentiating the selection by knowledge-intensity, enterprises in the service sector had to include five enterprises in knowledge-intensive service sub-sectors (e.g. financial and insurance activities, scientific research and development or telecommunications) and five enterprises in less knowledge-intensive service sub-sectors (e.g. wholesale and retail trade, accommodation and food services, or warehousing).

As evidenced in Table 1.1, the final sample shows some minor deviations from the quota requirements, due to difficulties in engaging appropriate enterprises in some countries. Twenty enterprises were selected in each of the five countries. Medium-sized enterprises are slightly over-represented compared to the target, as are firms located in cities, towns or suburbs, firms operating in manufacturing sub-sectors considered to be high or medium-high technology, and those in service sub-sectors considered knowledge-intensive.

Table 1.1. Final sample: Enterprise characteristics related to sampling quotas

Variable	Value	Number of enterprises in the sample
Country	Austria	20
	Estonia	20
	France	20
	Ireland	20
	Italy	20
Size	Medium (50-249 employees)	55
	Large (250+ employees)	45
Location	Urban	56
	Rural	44
Sector	Manufacturing, high-technology	26
	Manufacturing, low-technology	23
	Services, knowledge-intensive	27
	Services, less knowledge-intensive	24

Source: OECD Enterprise training strategies case studies; based on interviews in 100 enterprises in AUT, EST, FRA, IRE, ITA.

As shown in Table 1.2 the final sample of enterprises includes both **single and multi-establishment** enterprises. In the case of multi-establishment enterprises (69 firms in the sample), a decision had to be made if interviews should be conducted with staff at the head-office (this was the case for 37 enterprises) or staff at one specific establishment (in 32 enterprises). For each firm, this decision was based on where HR and training decisions took place the majority of the time. All interviews for one enterprise were conducted at the same location. It can also be noted that 26 companies in the sample are part of a larger, global group as they are a **subsidiary of large or multinational enterprise**.

The most popular **competitiveness strategy** adopted by firms in the sample is to focus on the quality of their products or services (42 enterprises). Other firms in the sample chose to orient their strategy on customisation (in 22 cases), innovation (new product development, in 23 cases), or, to a much lower extent on lower price (only 4 cases). Some enterprises employ mainly a highly educated or medium educated workforce (corresponding to vocational education workforce) (in respectively 19 and 22 cases) while few employ mainly low educated individuals. The remainder (38 enterprises) have employees at all qualification

levels. Finally, in terms of the degree of autonomy of their workforce, approximately a quarter of firms in the sample have a majority of employees with full autonomy over their work, while for half of the firms this only applies to a minority; other cases are more marginal in the sample.

Table 1.2. Other notable enterprise characteristics

Variable	Value	Number of enterprises in the sample
Multi-establishment enterprise	Yes, interviews conducted at the headquarters	37
	Yes, interviews held at one establishment	32
	No	31
Subsidiary of large or multinational enterprise	Yes	26
	No	74
Product market strategy	Better quality	42
	Customisation	22
	New product development	23
	Lower price	4
	Missing value	9
Education level of the workforce	Mainly high (university qualifications)	19
	Mainly medium (vocational qualifications)	22
	Mainly low (low or no qualifications)	5
	Varying	38
	Missing value	16
Degree of autonomy of the workforce	Everyone has full autonomy	4
	Majority has full autonomy	24
	Around half have full autonomy	4
	Minority has full autonomy	50
	No one has full autonomy	4
	Missing value	12

Source: OECD Enterprise training strategies case studies; based on interviews in 100 enterprises in AUT, EST, FRA, IRE, ITA.

Selection of interviewees

In each enterprise selected for the study, interviews were conducted with three different individuals: a management representative, a human resources representative, and an employee representative. Management representatives included individuals with the title of Chief Executive Officer, Chief Operating Officer, (Vice) President, Director or General Manager, amongst others. In the case of owner-operated businesses, the business owner was frequently interviewed. The management representative answered questions about the enterprise, its strategic orientations and general Human Resources practices. The representative of the enterprise's human resources team was typically an HR representative responsible for training and development in the enterprise, when it existed. In cases where no HR function was in place, for example in smaller companies, the interview was conducted with the individual who most frequently dealt with HR related questions from the management team.

The employee representative was an individual who had been formally chosen by other employees to represent them in negotiations or consultations with employers. Exact title and function of these representatives varied among countries, but they included members of works councils, staff councils, union representatives or employee delegates. In cases where no formal employee representatives existed, the interview was organised with an employee in a leadership role but who did not belong to the company's management team (e.g. a foreman or shop floor manager).

The three different stakeholders were interviewed independently of each other in a one-to-one setting. When the same person exercised management and HR functions within a company (e.g. in smaller enterprises), one interview was organised with this individual, combining questions for both target groups.

Interviews followed a semi-structured format and were conducted using topic guides that included a series of open-ended questions. Three different topic guides were made available for interviews with the three representatives. In companies, where management and HR representatives were equivalent, questions from both topic guides were asked. Given the necessity to maintain physical distancing and the travel restrictions related to the COVID-19 pandemic, interviews took place virtually as video conference or via phone. Interviews lasted between one hour and one hour and a half and were conducted in the local language of the country.

The briefing note for interviewers is provided in Annex C. Topic guides for the semi-structured interviews are provided in Annex D-G.

Preparation of enterprise write-ups

Comprehensive notes were taken during the interviews and formed the basis of the data entered into recording templates. Two types of standardised recording templates were completed, in English language:

- One Excel form to codify main firm characteristics.
- One Word document for each enterprise, where a synthesised account of all three interviews was provided. The template was organised thematically and completed based on the extensive notes taken during the interviews. Where diverging views existed between different interviewees, this was also highlighted in the template.

Analysis

Comparative analysis was then conducted to answer the key research questions listed above, following an analytical framework validated by experts. The aim of the analysis was to draw patterns of commonality and divergence of practices between enterprises with different characteristics.

Context

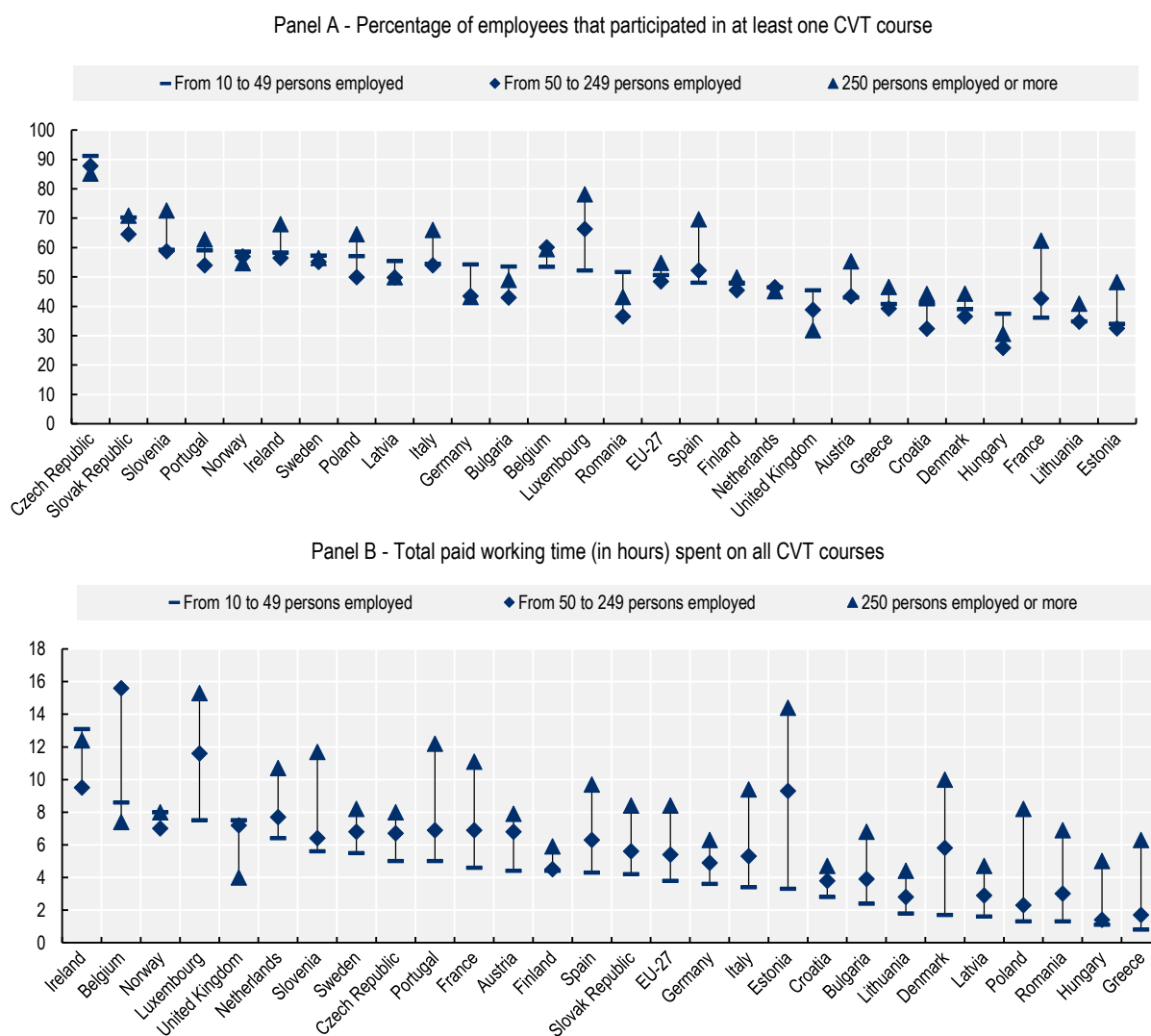
Countries selected for the study have different adult learning systems, and, within those, the degree of engagement of employers varies. This section provides evidence on the extent of training offered by enterprises, using data from the Continuing Vocational Training Survey, and discusses differences across the five countries covered in this study. It also presents preliminary evidence on the impact of the COVID-19 pandemic on the amount of training provided by enterprises.

Extent of training offered by enterprises

Data from the Continuing Vocational Training Survey (CVTS) helps shed light on the amount of training firms offer to their employees, and how it differs across countries and firm size. Regarding the share of workers, participating in CVT courses (Figure 1.2, Panel A), two broad groups of countries can be distinguished: a first group where this share is between 50 and 70% and hence above the EU-27 average, and a group where it is below the EU-27 average, between 30 and 50%. Two countries covered in this study, namely Ireland and Italy, show participation rates higher than EU-27 average, while Austria, France, and Estonia perform relatively less well on this indicator. Differences between differently sized firms are particularly high in France, but also substantial in other countries covered in the study.

There is much more heterogeneity regarding hours spent in training (Figure 1.2, Panel B), both across countries and across firm size. Furthermore, there is no strong relationship between the share of workers participating in CVT and hours spent in training. Some countries like Ireland rank well both in terms of participants and hours, while in some other countries firms seem to trade-off between the two (as seems to be the case in France).

Figure 1.2. Amount of training provided by enterprises in the CVTS



Source: Eurostat, CVTS 2015, [trng_cvt_13s, trng_cvt_21s].

Impact of the COVID-19 crisis on the amount of training provided by enterprises

The impact of the COVID-19 crisis on firm-provided training is not well understood at the time of publication. Research on the topic is still nascent, and cross-country data have not been thoroughly analysed. This subsection therefore starts by revisiting theoretical arguments and empirical evidence from previous crises. It then presents new data from the European Union Labour Force Survey to shed light on the aggregate impact of the crisis on firm-provided training. These results are complemented with new qualitative evidence from the case studies to get a finer picture of firms' reactions to the crisis.

Existing literature on the general impact of economic crises on firm-provided training

In general, the effect of economic crises on employer-provided training is ambiguous, as theoretical arguments go both ways. On the one hand, reductions in demand mean that the opportunity cost of training decrease. The risk of poaching is also reduced because of poorer labour market prospects for employees. Retaining employees instead of dismissing them saves on adjustment costs that would be incurred later during the economic recovery, and training is a way to keep employees productive. On the other hand, decreased demand also implies that firms' abilities to finance training is diminished, especially in contexts of liquidity constraints and credit-market imperfections. Firms may choose to invest their limited resources in activities that generate short-term benefits, and this is usually not the case of investments in training. This is especially the case in a slack labour market, where alternatives to training, such as hiring the necessary skills, become less costly and are hence favoured by enterprises.

Unsurprisingly, the early empirical evidence on this topic was rather mixed. Majumdar (2007^[24]), using US data for the period 1979 to 1988, finds that the probability of receiving company training decreases when the local unemployment rate increases, pointing to pro-cyclical training. Méndez and Sepúlveda (2012^[25]) also highlight a pro-cyclical pattern for several training types (training related to promotions, training related to technology adoption, regular training programmes, training needed as workers begin a new job), especially when financed by employers as opposed by individuals themselves. On the contrary, using data from 15 European countries, Bassanini et al. (2005^[26]) suggest a positive correlation between training activities of establishments and unemployment rates in different European countries, hence a counter-cyclicity of training investments.

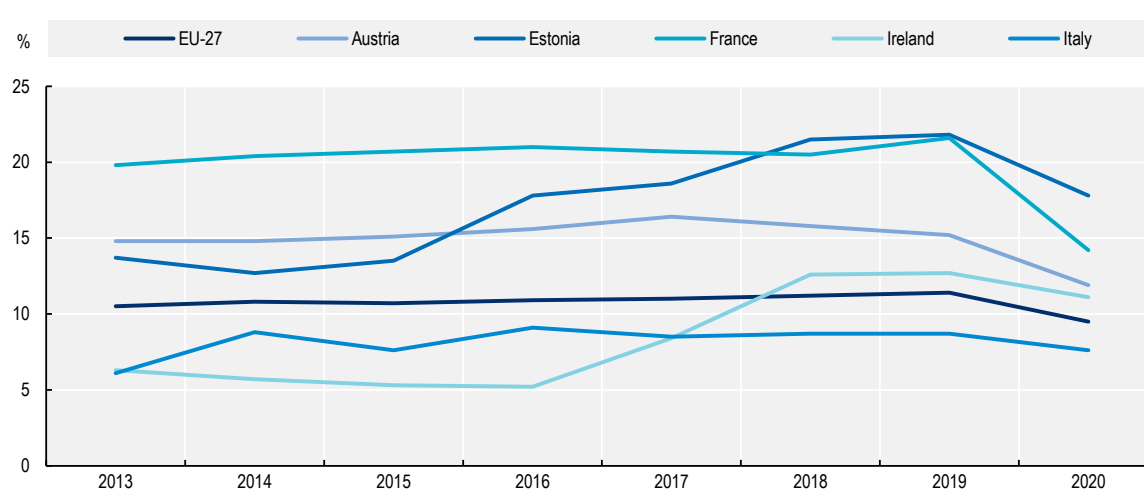
More recent studies have analysed the effects of the Great Recession on establishments' training activities. In general, these studies provide evidence for a negative impact of the crisis on training activities. For instance Bellmann, Gerner and Leber (2014^[27]) show that all German establishments reduced their training activities at the peak of the crisis in 2009 and that establishments that have been directly affected by the crisis reduced their training efforts to a much larger extent than other establishments. Dietz and Zwick (2019^[28]), using the German linked employer – employee panel dataset, find a direct negative effect of the crisis on individual training activities, lasting also until after the recession. Furthermore, they show that the recession had a stronger effect for employees in unskilled jobs than for employees in skilled jobs. Mason and Bishop (2014^[29]), using longitudinal data from the Employer Skills Updating Surveys in the United Kingdom, find that the downturn has contributed to reductions in training, especially for off-the-job training and for skilled and highly skilled employees.

Yet, the COVID-19 crisis is very peculiar and differs from previous recessions along several dimensions. First, it has affected sectors differently: some have been deeply affected by containment measures while others have actually benefited from them. Evidence from online job postings show that demand for workers in 'front-line' sectors, or in those involved in the management of the COVID-19 pandemic (health care and other "essential" sectors such as retail trade), was relatively strong while demand in sectors that had to shut down due to restrictions (e.g. leisure and hospitality) plummeted. Furthermore, the rate of recovery also varies across sectors. Indeed, in December 2020, while labour demand in accommodation and food services was 45% lower than the pre-pandemic level, in transport and storage services demand was 30% higher than in January 2020. Second, as physical access to workplaces was significantly reduced for most employees over extended periods, in-person training had to be halted and replaced with online provision, causing significant delays and difficulties. This was not the case during previous crises, when employees had no physical constraint to access training. Third, numerous governments have put in place measures to incentivise firms to retain their employees; these measures were in some cases compatible with employees' participation. It is therefore not obvious whether and how the COVID-19 crisis lead to changes in firm-provided training and more research in this area is warranted.

New quantitative evidence on firm-provided training during the COVID-19 crisis

European Union Labour Force Survey data provide some preliminary insights on firms' training offer during the crisis. Figure 1.3 shows the evolution of the participation rate in education and training between 2013 and 2020. The rate refers to participation in training in the four weeks preceding the survey for employed individuals aged between 25 and 64 years old. In all five countries covered in this study, and in the EU-27 on average, participation in education and training activities shows a marked decline in 2020 compared to previous years. On average, participation rates in 2020 were lower by 2 percentage points. The decrease is smaller in Italy (1 percentage point) and larger in France (7 percentage points). Reasons behind these differences deserve further attention in future research.

Figure 1.3. Participation rate in education and training between 2013 and 2020

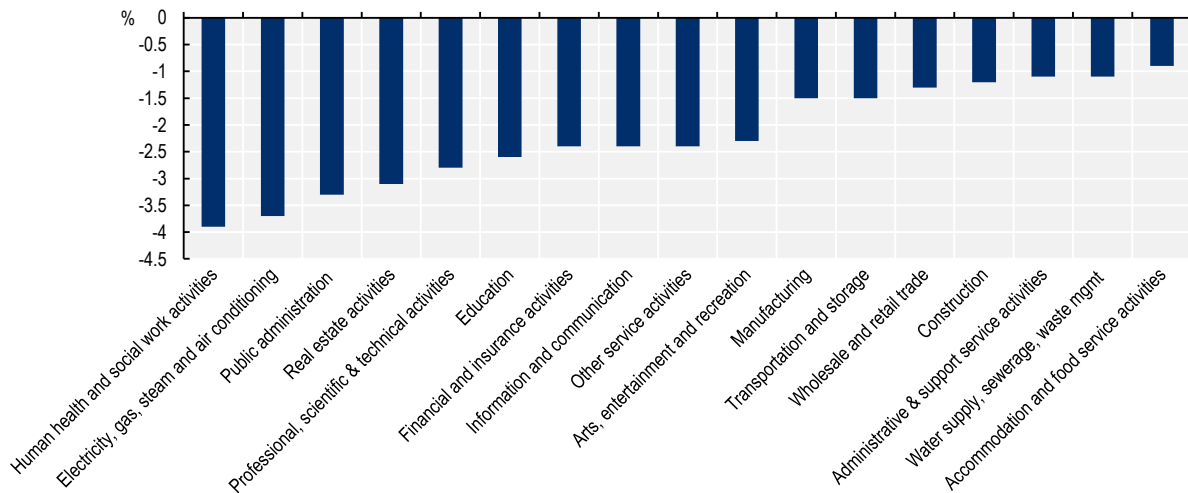


Note: Participation rate in education and training in the last 4 weeks, employed persons, from 25 to 64 years.

Source: European Union Labour Force Survey.

Figure 1.4 shows the difference in participation rates between 2019 and 2020 for individuals employed in different sectors. The decline is more pronounced in frontline sectors, particularly health care, and less pronounced in sectors that faced a decrease in activity. This seems to suggest that sectors that were under increased productivity pressures during the COVID-19 crisis invested less time in training. The variation between sectors may also be related to the extent to which different firms and sectors were ready to provide training online as opposed as face-to-face.

Figure 1.4. Change in participation rate in education and training between 2019 and 2020, EU-27



Note: Participation rate in education and training in the last 4 weeks, employed persons, from 25 to 64 years.
Source: European Union Labour Force Survey.

New qualitative evidence on the impact of the crisis on the amount of firm-provided training

The figures presented above are likely to mask important differences between firms. Such heterogeneity cannot be analysed using aggregate data; instead, qualitative evidence from the case studies are used to understand whether and why firms differed in their responses to the crisis. Changes in the mode of delivery, especially the shift to online training, triggered by the outbreak of the COVID-19 pandemic are discussed in more details in Chapter 2.

Regarding the **impact of the COVID-19 crisis on the amount of training provided by firms**, the vast majority of companies reported lower levels of training during the crisis. One reason for this decrease in training is related to the containment measures taken by countries during the spring of 2020: in several countries, training providers had to simply close their business. In other cases, events gathering groups of individuals were not allowed, hence it was impossible to organise training sessions with several participants. Consequently, firms had to organise most of their training offer online, or postpone it when organizing it online proved too difficult (see Chapter 2 for a discussion of the organisation of online training before, during and after the COVID-19 pandemic outbreak).

Several firms also reported that the lower profitability experienced during the crisis translates into cost-saving actions and reductions in the budget allocated to training. Some companies laid off part of their workforce, and the lower number of employees means lower training in total. The lower number of new recruits also means lower training needs, especially regarding training for induction to the enterprise. This was the case for example of two enterprises in Estonia:

Due to cost savings, employees are only provided with inevitable training, what is required by law or to keep abreast of changes (e.g. how to cope with COVID-19). Larger trainings for all employees of the company have been cancelled for both financial and health reasons

Manufacturer, Estonia

As the impact of the COVID-19 crisis on the company has been strong, the decisions to provide training have also been affected. For instance, the overall training need has reduced because of the redundancies in the company. The volume of introductory courses has decreased considerably because the recruitment activities

have been postponed. In addition, for people remaining in the company, several training plans have been postponed because of the radically reduced volume of activities in the field of tourism.

Transport company, Estonia

In some sectors, activity actually increased rather than decreased, and hence workers had less time than usually to take part in training activities. This is the case in particular in essential services during the pandemic. Some firms also had to stop some of their informal learning activities (e.g. mentoring) since it was more complicated to organise them online.

However, it can be noted that several firms in the sample reported **no impact or a positive impact**. Reasons for this increase in training in some firms include the fact that employees had more time to undertake training: not only was their workload lower, but they could also save on commuting time. The fact that the schedule of online training is usually more flexible, allowing individuals to follow classes when it best suits them, was also a facilitating factor reported by enterprises in the sample. This is exemplified by two enterprises active in knowledge intensive service sectors in Austria and Ireland:

In the course of COVID-19, the workload is lower due to postponed customer projects but at the same time, the employees are to be retained. A reasonable alternative is to have the employees carry out further training measures, at least for part of the time. Much of this also takes place in self-study, which was increasingly accepted this year

Medium size knowledge intensive service company, Austria

The business has seen a notable increase in the amount of time employees are spending engaging in training through the on-line platform. This has been attributed by respondents to employees using time they would otherwise have spent commuting to/from work in other productive ways

Large knowledge intensive service company, Ireland

Several respondents also declared that the COVID-19 crisis **increased the necessity to provide training**. Notably, they reported the need to stay competitive, to foster innovation, to face emergencies, and to prepare for the jobs of the future was stronger now than it was before the crisis. Finally, training delivered during the crisis also served to respond to new and specific skill needs such as digital skills and tools, soft skills, communication, and management in an online setting, risk assessment and resilience, compliance with COVID-19 measures. These reasons were mentioned for instance by a metal manufacturer in Austria, and a wholesaler in Italy:

The pandemic itself has not changed the reasons for further training – they have remained the same. However, the reasons may even become stronger: Because if there is a market shakeout and competitors disappear, the company has the chance to grab a larger share of the market – assuming it has the better-qualified people.

Metal manufacturer, Austria

COVID-19 has prompted the company to develop and offer new types of training with a specific focus on soft skills and communication. This orientation was considered particularly important to help people overcome the difficult period and find ways to stay in connection and communicate effectively also in the new working set-up.

Wholesaler, Italy

Content of the report

The remainder of this report is organised around five chapters. Chapter 2 discusses what learning opportunities enterprises provide, and sheds light on the content of firm-provided training, the degree of formalisation of training, and the mode of delivery. It includes a discussion of online training opportunities

and how their provision changed during the outbreak of the COVID-19 pandemic. Special attention is given to informal learning opportunities, how to measure them, and how they arise.

Chapter 3 investigates why enterprises offer training to their employees. In particular, it studies the different reasons and obstacles to training provision, as reported by firms. It also considers which groups of employees train more than others and why, and what alternatives to training enterprises consider, and what factors drive their decision to choose one option over the others.

Chapter 4 looks at how enterprises make decisions about training, considering five different stages of organisational decision-making: the assessment of training needs, the development of training plans, the choice about training provider, the selection of individuals into training, and training evaluation. It also presents evidence on the different actors involved in the decision-making process.

For each topic, these three chapters start by summarizing the existing evidence, coming both from the research literature and from existing quantitative surveys (the Continuing Vocational Training Survey and the European Company Survey) and then discuss new evidence coming from the case studies.

The final chapter 5 reflects on the general findings of the study, and discusses how they can inform the design of better public policies. More specifically, it investigates whether the new findings call for public intervention, and whether policies should focus on specific enterprises or individuals. It also presents the different policy levers that exist and how to make the most of these options.

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Note

¹ In this report, the terms “firm”, “enterprise” and “company” are used interchangeably.



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