# Chapter 3

# Education and Training for the Low-skilled in Denmark: Linking Public Policy to Workplace Needs and Practice

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This chapter identifies the preconditions and characteristics of successful education and training initiatives targeting low-skilled workers. Drawing on case studies of three Danish enterprises, it illustrates the circumstances and modalities for introducing competence development strategies in the workplace. The chapter begins with an overview of recent Danish policy developments in the field of adult vocational education and training. It then presents a regional focus – the role of regional labour market councils is examined. The experiences and outcomes of the three selected private sector companies located in the Storstrøm region leads to the conclusion that the initial barriers faced by employers and low-skilled workers, and the resulting inertia, can be successfully overcome through a combination of preconditions and a well-devised strategy of educational planning.

# Introduction

Denmark has a long-standing tradition of adult education and training policy. The country benefits from a well-developed educational system, which – compared with those of other member countries of the OECD – is well resourced and supplies a wide range of education and training options. Those two basic features provide a favourable environment for upgrading the skills and competencies of low-skilled adult workers.

Recent years have witnessed a strong national policy emphasis on education and training for low-skilled workers, illustrated for example by the Ministry of Education's Handlingsplan for udvikling af kortuddannedes kompetencer (Action Plan for Development of Competencies of the Low-Qualified), published in February 2003. The largest Danish trade unions for low-qualified workers – SiD (General Workers' Union in Denmark) and *Kvindeligt Arbejderforbund* (KAD, Women Workers' Union in Denmark) – have endorsed the action plan, and there is general political consensus regarding the importance of this policy issue.

While the political initiatives have aimed at ensuring the availability of a wide range of training courses, it is here proposed to redirect the focus towards the workplace so as to explore the necessary preconditions for the implementation of these initiatives.

This chapter draws on the case studies of three enterprises, which have all introduced education and training measures for their low-qualified employees. The initiatives implemented in those enterprises illustrate the circumstances and modalities needed for introducing competence development strategies. They serve as best practice examples of successful co-operation between management, employees, unions and educational institutions.

Through these examples, the chapter seeks to shed light on the processes through which training outcomes have been reached. The aim has been to isolate from the empirical evidence a number of preconditions of successful education and training, so as to provide ideas and inspiration for international comparisons.

The first section discusses the Danish labour market and adult education system, focusing on recent developments and training initiatives targeting low-skilled workers. It illustrates the political focus on skills upgrading initiatives and explores the role of regional labour market councils in the context of decentralised policies. The second section provides a brief presentation of the regional labour market in Storstrøm. This is followed by a section on workplace practices in selected case study enterprises.<sup>1</sup> The following section presents evidence of what "works". Drawing on interviews with employees and managers of the three enterprises, as well as with representatives from trade unions and educational institutions, the section critically examines the constraints and opportunities for developing training initiatives at company level, looks into the process of implementing a successful training strategy and discusses its outcomes. The closing section draws attention to some general points and makes tentative policy recommendations.

# The national policy context

In Denmark, both employed and unemployed adults have access to the publicly funded adult educational system. Although the adult vocational training system (AMU) is primarily designed for low-skilled and skilled adults in employment, the unemployed also have access or may be referred. Employees are enrolled in vocational training courses mainly by their employers; in contrast, in the case of unemployed adults, training is initiated by municipalities or the public employment service, known as "AF".

# A continuing focus on upgrading qualifications through education and training

Since the late 1970s, activation programmes have become a permanent feature of the labour market policy framework designed to help the long-term unemployed (Torfing, 1999). From 1988, the emphasis was on targeted initiatives to upgrade qualifications, together with stricter eligibility requirements for people in receipt of unemployment benefits.

From the early 1990s, this policy framework was progressively redesigned (Danish Ministry of Employment, n.d.a). In 1995, a major reform known as "the overhaul" paved the way for significant change (Danish Ministry of Employment, n.d.b.). In 1996, the right and duty to take part in active measures were enforced and special youth measures were introduced. From the late 1990s, the principles of right and duty inherent in the welfare-to-work agenda were further reinforced (Rosdahl and Weise, 2001). This policy trend is illustrated by the government's paper of February 2004, Noget for noget (literally, "Give and get"). The publication underlines the need to reward the people and enterprises that demonstrate willingness and to punish those that deliberately are not trying to do their best. Labour market reforms have sought to reduce structural problems by means other than reductions in unemployment benefits. Compared to those in other OECD countries, the labour market in Denmark is relatively "flexible" since enterprises have few obligations and very low costs related to the recruitment and dismissal of workers (Andersen and Torfing, 2002). The extensive coverage of the country's unemployment benefit system can be seen as a means of compensating for these liberal rules.

A specific feature of adult education and training policies in Denmark is the focus on competence development to promote employment and economic growth. Importantly, the public system for both mainstream vocational training and adult education operates under the strong influence of the social partners (unions and employers' associations). Moreover, Denmark has embraced the concept of lifelong learning, so that adult training and education programmes are targeted at the workforce in general and not solely at the unemployed.

The policy focus of the early 1990s on high unemployment has recently shifted to a focus on education and training for all within a lifelong learning perspective. Several reforms have promoted access to and provision of general and vocational education training for adults, and these were accompanied by increased public funding.

The system of competence development and vocational training known as AMU has been in place for over forty years. It was modernised several times during the 1990s with a view to offering more flexible provision and use of adult education and training. Closer linkages between the mainstream educational system and that of adult education and training have been promoted, notably through mutual recognition of academic and training credentials and through a common trend towards market-oriented, flexible approaches to teaching and learning. The transfer of responsibility for AMU from the Ministry of Employment to the Ministry of Education in November 2001 can be seen as a clear indicator of this development. At the same time, efforts have been made to strengthen the complementarity of adult vocational education and training and to make their content more transparent, as exemplified by the development of the adult further education system.

#### Recent policy developments in adult vocational education and training

The 1990s have been characterised by increased provision of vocational education and training to adults at all levels. The adult education reform that took effect from 1 January 2001 was the result of an effort to turn adult learning into a single, coherent and transparent system. The ministries responsible for adult education and training in Denmark – those of education and labour – co-operated in drawing up this proposal (Danish Technological Institute, 2001).

The reform gave the public sector major responsibility for ensuring a relevant supply of adult education and training for all. In lending coherence to the overall framework, policy makers aimed to achieve both excellence and relevance for individuals, enterprises and society.

The main goal of the reform was to provide all adults with access to lifelong learning opportunities. In addition, it sought to focus attention on adults with low educational and skill levels, and to ensure better utilisation of resources.

Two new programmes specifically targeting the low-skilled were introduced in Denmark under the act: Preparatory Adult Education (FVU) and Basic Adult Education (GVU). The latter is part of the adult education system, which also includes three advanced levels of further education.

At the same time, the government emphasised the importance of a demand-driven supply, so that education and training would be in line with the actual needs of individuals and enterprises. In order to promote that supply, several tools were introduced: user fees, grants, activity ceilings and options for reducing allowances.

Moreover, the reform promotes recognition of prior learning as it specifically relates to "soft" skills gained through work experience and participation in continuing training. These are formally credited when individuals enter vocational education and training programmes.

More attention was also given to the need to provide programmes and training activities related to the participants' daily tasks and to ensure that in addition to vocational credentials, education and training courses would help individuals acquire general and basic qualifications and satisfy individual learning objectives.

At the time of the reform, a debate arose concerning the financing of adult education and training through both private enterprises and learners (Danish Technological Institute, 2001). Since 2000, beneficiaries (individuals or enterprises) are required to contribute to the cost of learning for certain types of adult courses and training programmes.

The government launched its action plan Better Education in June 2002 (2002a). This initiative emphasises adult education and further training, together with the need to strengthen proficiency and competence to levels that will help individuals keep up with the global knowledge society. It suggests that this objective can be achieved by making the continuing vocational training (CVT) programmes more flexible and transparent and by

building bridges between what is learned in the classroom and what is learned within the workplace.

Heightened awareness of the need to target training tools and measures more specifically at low-skilled workers is illustrated by the government's action plan of February 2003, Handlingsplan for ufaglærtes kompetenceudvikling (Action Plan for Unskilled Workers' Competence Development). This governmental paper, which complements the aforementioned Handlingsplan by the education ministry, argues that if workers are to retain their jobs and progress within a competitive labour market, they need to acquire more competences in all job functions (Danish Ministry of Education, n.d.a.).

### The adult educational system today

The two new systems mentioned above, the FVU and the GVU, have been integrated into the existing framework (Figure 3.1). Adult education is divided into two categories of programmes: 1) general adult education and 2) the vocationally oriented adult education and training programmes.

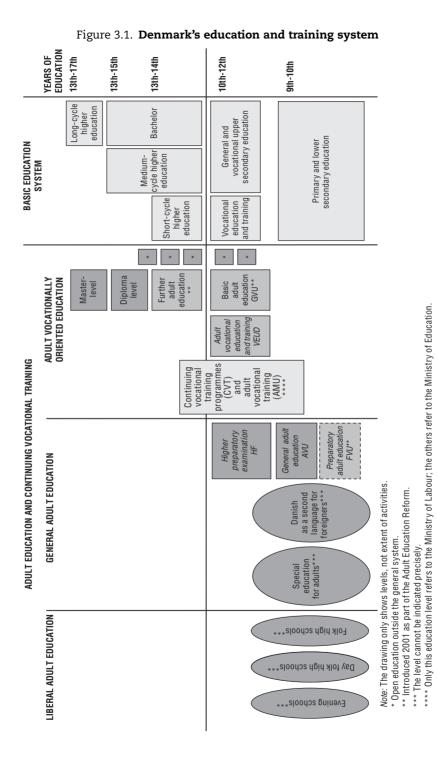
### General adult education

Preparatory Adult Education (FVU) was introduced in 2001 with the aim of offering basic literacy and numeracy skills to adult learners. To a large extent this initiative was prompted by the results of the OECD SIALS survey, which indicate that approximately 1 million adult Danes had reading skills which could be regarded as insufficient in relation to the demands of the knowledge society (Jensen *et al.* 2000; OECD, 2000).

Under FVU, people aged over 18 are entitled to take part in courses to improve and supplement their basic skills in reading, spelling and written presentation as well as in numeracy. The underlying rationale is to prepare adults for their working lives or participation in further education and training. Courses in both Danish and mathematics are divided into different levels, each of which concludes with an examination taken on a voluntary basis.

The tuition is organised to facilitate scheduling in the daily lives of participants. The county councils are responsible for the provision of FVU, either in their own adult education centres (VUC) or in other educational establishments. The activities may also take place at the workplace.

At lower secondary level, there is an offer of independent single courses for adults preparing for an examination at the basic school level (AVU).<sup>2</sup> Today, these courses are offered at the VUC. There, and at upper secondary schools, it is also possible to participate in single subject courses leading to the Higher Preparatory Examination (HF), which corresponds to general adult education at upper secondary level. These courses are equivalent to those offered in initial upper secondary education for young people. Other educational offers



in this system are Danish as a second language for foreigners and special teaching for the disabled.

# Adult Vocational Training

Adult Vocational Training (AMU) programmes have existed since the late 1950s. Of course, the system has evolved to reflect economic restructuring processes: from an agricultural economy, Denmark has turned into a more service- and knowledge-intensive economy (see, for example, Plougmann, 2003).

The AMU programmes serve a triple purpose:

- To provide, maintain and improve the vocational skills of participants in accordance with the needs of enterprises, the labour market and individuals, and in line with technological and societal developments.
- To solve labour market restructuring and adaptation problems in the short term.
- To contribute to a general upskilling in the labour market in the long term.

AMU plays a central role in the national policy for lifelong learning. It has also an important role as an instrument to help the low-skilled acquire formal VET qualification. Its courses allow adults to transfer credit to an initial VET programme equalling a VET single subject course. This renders study and training pathways for adults more flexible.

AMU is mainly designed for unskilled and low-skilled people and offers the participant qualifications on three levels: specific, general and personal. Ongoing development of the system allows training to address the needs of enterprises and individuals.

In 2003, the Danish parliament passed an act on adult vocational training that came into force on 1 January 2004. The act contains a revised concept of training that departs from a former emphasis on individual programmes and refocuses on competences in the labour market (Danish Ministry of Education, 2004). It introduces a new qualification framework that offers enterprises and employees a much more transparent and flexible as well as better coordinated supply of vocational training. The reform is closely related to the action plan of "Better Education", as it supports the government's objectives of strengthening professionalism, flexibility, and innovation.

A related objective of the act has been to harmonise the forms of description used in vocational education and training and in the adult vocational training programmes. Thus, 150 common competence streams describing recognisable job functions in the labour market are replacing the 2 500 labour market training plans that existed previously. The objective is to make the process more goal oriented and give the participant training with a clear job function to aim for on the labour market. The descriptions will provide enterprises and employees with a good basis for entering into a dialogue about the need for the specific competence development, both in the short and longer terms.

# Basic Adult Education (GVU) – the first level of the adult education system

There are two ways in which an unskilled worker can reach a status of skilled worker with a complete VET diploma. The first model – the adult VET, introduced in 1992 – is offered to adults aged over 25. As with the initial VET programme, an apprenticeship contract with an employer is needed. The other model is the basic adult education programme (GVU), introduced in 2001 as part of adult education reform.

The GVU was established as a new option that gives adults an opportunity to obtain – without an apprenticeship – the same level of education and the same professional competencies in a specific trade as they would have obtained through initial vocational education and training. This model combines job experience with individually tailored courses, and leads to a full accreditation of vocational education.

The basic adult education is not an entirely new one, but a reorganisation of the already existing vocationally oriented programmes and courses at upper secondary level and in adult vocational training. In this model, the AMU courses that count towards a VET programme play an important role as part of the individual study and training plan.

As a precondition the adult candidate must be at least 25 years old, must have at least two years of relevant work experience, and must attend an interview for an assessment of his or her vocational and general competences.

The qualification is the same as for the formal vocational education and training for young people. Adults who complete a GVU programme pass the same final examinations as young people in general education, but a GVU programme is organised in a more flexible manner. The actual content of the programme will depend on the adult participant's practical work experience as well as qualifications attained through completing various courses. Students will not be liable for tuition fees.

The further education programmes at the three advanced levels are special education programmes for adults. As with the basic adult education level, relevant work experience is one of the entrance requirements but not credited toward the further education programme. The three advanced levels are comparable to the three levels in the mainstream education system.

## Access to and financing of adult learning

Under present legislation, there is a genuine right of free access for individuals regardless of age in the general adult education system, at both lower and upper secondary level.

Most vocationally oriented adult education and training programmes at VET level and further/higher education level have what is called "free intake". This means that the institution is free to grant access to all qualified students within the limits of its physical and economic capacity (buildings, staff, etc.). There are limitations to this principle, mainly according to the relationship between actual demand and annual budgets (Danish Ministry of Education, n.d.b.).

Financing of continuing and advanced education and training is considered a public responsibility in Denmark. The regional authorities finance the preparatory and general adult education either in full (with a small administrative fee) or partially in certain subject areas at lower and upper secondary level. In the latter case a small user payment is required (Danish Ministry of Education, n.d.b.).

As far as VET and CVT courses for adults are concerned, the state formerly financed this provision either in full or partially with a user payment. In 2002, amendments to the legislation introduced the requirement of supplementing state financing with user payment. For adult education at advanced levels, state funding continues to be supplemented by user payment. In practice, user fees at the advanced levels tend to be adjusted to the level of education pursued.

A further aspect that is considered a public responsibility is to ensure that adults are not prevented from participating in full-time qualifying education and training programmes (or even part-time training programmes for those with a low level of educational attainment). According to the present legislation, participants in continuing and advanced education and training programmes may receive state grants to cover their costs of living. Support corresponds to the maximum level of unemployment benefit for participation in a full-time education and training programme on certain conditions.

## Action plan for unskilled workers' competence development

As noted above, the action plan published by the government in February 2003, Handlingsplan for ufaglærtes kompetenceudvikling (Action Plan for Unskilled Workers' Competence Development), is a further noteworthy measure in favour of the low-skilled.

The action plan can be seen as a continuation of the government's papers Better Education (June 2002) and More People in Employment (September 2002) (Danish Ministry of Employment, 2002). These publications stressed that the

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	1993	1994	1995	1996	1997	1998	1999	2000	2001
	DKK billion (2001 prices)								
Total	5.840	6.326	7.045	7.304	7.520	8.202	7.286	6.305	6.453
Day folk high									
schools	368.9	466.0	656.2	601.7	735.1	772.2	526.7	434.1	415.0
AMU	1 749.8	1 910.9	1 968.6	1 905.0	2 054.0	2 487.5	1 995.8	1 356.2	1 376.7
Folk high schools	662.6	667.7	678.2	644.5	621.3	570.6	565.0	552.9	513.7
VUC	1 003.3	1 061.7	1 129.3	1 134.6	1 176.0	1 208.3	1 209.3	1 020.2	987.4
Open education	499.6	586.2	963.9	1 118.9	1 004.3	1 151.6	754.7	684.9	756.6
VEUD	-	24.0	21.4	10.3	10.7	18.4	26.2	24.7	22.1
Home economics and textile design schools	92.0	95.7	92.6	90.9	81.0	74.7	79.0	82.1	80.2
Danish as a second	92.0	95.7	92.0	90.9	01.0	14.1	79.0	02.1	00.2
language	345.9	387.7	442.7	647.6	665.0	718.2	876.9	923.5	1 047.5
Special education for adults <sup>1</sup>	586.3	589.4	583.0	598.6	603.6	637.7	692.6	692.6	692.6
Reading courses for adults (FVU)	-	-	-	21.7	30.1	34.7	33.8	12.6	40.0
Evening schools (liberal adult edu.	500.0	F07 1	500 7	500.0	507.0	400.0	400.1	400.1	400.4
act) <sup>1</sup>	532.0	537.1	509.7	509.9	507.9	493.2	498.1	498.1	498.1
DK Maritime Authority courses	-	-	-	-	-	7.0	5.1	5.3	4.6
Min. of Cultural Affairs courses <sup>2</sup>	_	_	_	20.8	19.9	18.3	18.1	14.6	14.6
Courses for farmers	-	-	-	-	11.1	9.6	4.9	3.4	4.2

Table 3.1. Public expenditure on adult education and training, 1993-2001

1. No data are available for 2000 and 2001. 1999 data are used.

2. No data are available for 2000. 2001 data are used.

Source: Ministry of Education.

demographic decline made upgrading the skills and qualifications of the labour force highly necessary through better activation and job placement activities. While the unemployed were the major target group, achieving the government's goal of bringing more people into employment by 2010 meant retaining incumbent workers on the labour market. The conclusion, formed on the basis of data, shows that there are relatively more unskilled workers than skilled workers outside the labour force; that the risk of becoming unemployed is greater for unskilled than skilled workers; and that just over a third of the participants in adult vocational training are unskilled workers.

Therefore, in their action plan of 2003, policy makers have emphasised the necessity of retaining unskilled workers in their jobs. It is argued that because knowledge content and the need for job-related and social competencies are increasing in all job functions, special attention must be given to competence development for the unskilled. They must be given the opportunity to acquire the qualifications and competencies needed on a rapidly changing labour market.

The Action Plan for Unskilled Workers' Competence Development also emphasised that the transfer of AMU from the Ministry of Employment to the Ministry of Education has created a strong basis for action favouring unskilled workers. In doing so, it also strengthens the focus on the connection between the different education programmes.

The plan centres on five priority areas for fighting obstacles to competence development of unskilled workers: these are 1) transparent information and guidance, 2) recognition of prior learning in the education system, 3) coherence in general guidance, 4) interaction between educational programmes, educational establishments and enterprises, and 5) Danish language and reading lessons. In the first three areas policy makers have sought to improve definitions and implement solutions to some degree, while concrete proposals for new initiatives have been made regarding the last two priorities. The action plan thus illustrates work in progress and the themes accorded priority under the current Ministry of Education.

# Regional labour market and skills needs: a case-study from Storstrøm

The Storstrøm region comprises the southern part of Sealand and the islands Lolland and Falster. There are notable regional differences: generally speaking, the northern part of the region is more economically buoyant than the southern part. Lolland is characterised by a decline in population, the labour force and employment levels, while East Sealand and the Næstved area have experienced opposite trends.

# Population

Storstrøm has a population of around 260 000 persons. Compared with the rest of Denmark, the proportion of elderly is relatively large: 24% is above the age of 60 (which compares to 20% nationally). As a result, the share of old age pensioners and recipients of voluntary early retirement pay is relatively large. The age composition of the population and the share of people receiving transfer income mainly explain the combination of a general population increase and a decline in the labour force. In 2001 the activity rate, *i.e.* the proportion of those aged 16 to 66 in the population who are in the labour force, was approximately 74% in Storstrøm compared to 78% nationally. After a period with falling unemployment from 1995 to 2001, recent years have been marked by an increase in unemployment rates (see Table 3.4).



Figure 3.2. Map of Denmark showing Storstrøm

Source: www.kms.dk.

# Table 3.2. Population, 1990, 1995 and 2001

	1990	1995	2001
Storstrøm region	256 912	256 562	259 691
Whole country	5 135 409	5 215 718	5 349 212

Source: Statistics Denmark.

Table 3.3.	Labour force trends	, 1990, 19	995 and 2001
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	199	1990		95	2001	
	Actual	Index	Actual	Index	Actual	Index
Storstrøm region	132 965	100	129 766	98	126 994	96
Whole country	2 793 809	100	2 796 235	100	2 799 958	100

Source: Statistics Denmark.

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	1996	1997	1998	1999	2000	2001	2002	2003
Denmark	8.9	7.9	6.6	5.7	5.4	5.2	5.2	6.1
Storstrøm	10.6	9.7	8.3	7.4	6.6	6.5	6.2	6.7

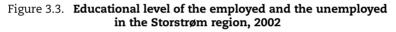
Table 3.4.	Unemployment rates
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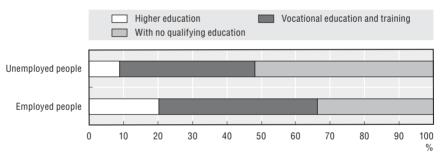
Source: Statistics Denmark.

## **Educational levels**

The educational level of the population is lower in Storstrøm: the proportion without qualifications is relatively higher and the proportion with higher education is relatively lower than in the rest of the country.

Moreover, educational levels are significantly lower among unemployed people than among those in employment (see Figure 3.3). One-third of the regional workforce lack qualifications. The need for initiatives to retain these people in employment is thus particularly acute.





Source: Public Employment Service (AF) of the Storstrøm region.

#### **Regional labour market policy**

With a relatively larger share of individuals lacking qualifications and an overall lower educational level than in the rest of the country, the focus on the low-skilled is very relevant in Storstrøm.

Recent studies in the field of labour market policy have underlined that the interaction between central and decentralised decision makers is a crucial factor in effective delivery of policies (see for example OECD, 2003). At regional level, specific initiatives evolve rapidly and are implemented in close relation to the current labour market situation and within the targets and economic framework defined by the Danish parliament at the national level. Among the important actors on the regional scene are the Regional Labour Market Councils (*regionale arbejdsmarkedsråd* – RAR). They have the power to lay down the priorities of the policy initiatives based on the specific regional situation, so that the content of labour market policy is determined as closely as possible to the needs of the enterprises and the unemployed. These Councils are composed of local representatives of the social partners and local authorities. They assist in setting priorities for the tasks of the regional public employment service as well as setting regional targets and result requirements. They also monitor labour market policy initiatives in the regions.

Thus, the process of labour market policy is established in a ongoing dialogue and interaction between the central level on the one hand, *i.e.* the Minister of Labour, the National Labour Market Authority and the National Labour Market Council, and the regional level on the other, *i.e.* the Labour Market Councils and the Public Employment Service. This creates a balance between central and regional aims and targets. At the same time it secures the involvement of the social partners and the central and local authorities in policy making and thus helps to ensure the implementation of policies (Hendeliowitz, 2003).

A strong objective is to encourage a unity in education and training efforts and coherence between education and employment possibilities, and thus accommodate educational and training policy, the demands of qualifications of the labour market, and individual skills and needs.

Since local vacancies for the low-educated are expected to decline, the RAR have decided that approximately half of the active labour market policy programmes initiated by the public employment service in Storstrøm must be devoted to education and training.

The councils have different ways of addressing re-entry of the unemployed into the labour market. First of all there are different types of training and education programmes, but since the main focus is always to provide the shortest route into employment, their duration will often be limited to a few months. The RAR also give priority to adult apprenticeship agreements between AF and local employers. Skills upgrading can involve job experience in private or public companies. The Labour Councils focus sharply on private job training, since this instrument is felt to have the greatest impact on employment.

Next to these different models for the unemployed, the Regional Labour Market Councils can also finance job rotation programmes, in which the employees of a company are given leave from work to receive supplementary training during a fixed period. Meanwhile, unemployed people who have received training to be able to replace the employees perform the work in the company. Lastly, the RAR may also finance education and training planning in companies. They have for example financed an initiative where a person from the industrial sector contacted companies in the building and construction industry with a view to evaluating the need for supplementary education and training of the employees in co-operation with the employer.

Storstrøm is – like the rest of Denmark – eligible for support under the European Social Fund Objective 3. It is considered important that the social fund activities support and further develop regional employment policies. The Regional Social Fund Plan in Storstrøm has therefore given priority to activities aimed at the same groups of unemployed people targeted by the RAR. In addition to the unemployed, the Social Fund activities also focus on people in employment and students in the education and training system. A regional social fund committee has been set up which is composed of representatives of the local Council, the local authorities and the Regional Labour Market Council. In 2003, the amount allocated to the regional social fund committee in the Storstrøm region reached DKK 21 million (EUR 2.8 million).

# **Regional educational policy**

In the area of General Education, the Adult Education Centres (VUC) of the Storstrøm region offer many general education programmes (Hendeliowitz, 2003). The Storstrøm Regional Council determines the financial framework of VUC-Storstrøm. At the same time, a Central Council has been established to function as VUC-Storstrøm's "board". The Central Council determines, among other things, the budget and teaching activities. Its members are elected by the Storstrøm Regional Council, the Regional Association of Local Authorities and the social partners in trade and industry, among others.

Vocational schools are independent institutions and the amount they are granted by the Ministry of Education depends on the level of activity. They receive taximeter financing that is based on the number of full-year apprentices, and is thus highly output-oriented. In addition to the purely activity-related taximeter grants, the educational establishments also receive a basic grant to cover certain operating costs not related to the activity.

Vocational schools and adult vocational training centres are managed by a board that has overall responsibility for the operations and activities of the institutions. The board is therefore responsible for the teaching, education and training activities provided by the institution according to its objective. The board is primarily composed of representatives of the social partners in trade and industry. Since 2003 the Ministry of Education has created incentives, including financial, that encourage mergers of vocational schools. The mergers are intended to secure broad educational environments in all regions, providing options for young people and adults. They are also meant to enhance the educational level at vocational schools. The Storstrøm region has carried out a number of such mergers in 2003.

Because these mergers are so recent, many of the region's merged educational institutions have not yet prepared a strategy for activities aimed at the low-educated. However, the educational institutions have a policy of offering education and training programmes that are relevant to the region's employment activities – for example, for the low-educated – and that are covered by their own individual objectives.

# Workplace practices: strategic aspects

The three enterprises selected as case studies have all introduced education and training measures for low-qualified employees. While these enterprises are all located in the county of Storstrøm, each of them is representative of a distinct sector of activity. Two are manufacturing businesses – an electronics and a textile enterprise – and one is a service business (a ferry operator).

The three enterprises have all been exposed to and affected by the increasing internationalisation of their activities, which has brought new terms of competition, production and service requirements. Consequently, work organisation, job functions and job contents have been redefined. Education and training for their staff has been a key element of their responses to these new challenges. A shared feature was that they all treated training as a high-priority development strategy rather than as a single, one-off project.

At the time of study, the enterprises were at very different stages in the process. The electronics business had only just initiated its first training project. The ferry operator had started its project four years earlier, while the textile enterprise began its first education and training activity in the late 1980s.

#### Enterprise A: The electronics company

The enterprise is situated in the surroundings of Næstved. It has nearly 40 employees, of whom 25 are without formal qualification. The company primarily operates as a subcontractor to other companies. It produces around 100 different ventilation, heating and home appliances (*e.g.* kitchen machines).

Since the 1990s, this enterprise has been facing great challenges due to increased competition. The effects of economic restructuring have been highly visible in the local community, where several electronics businesses have closed down. Increased competition has influenced demand as regards pricing; as a result, the management decided to begin collaborating with enterprises in Lithuania, which involved transferring part of production to the partner country. This process is expected to be a decisive factor for the share of manual assembly work in the future, and has spurred interest in education and competence development for the low-skilled employees. The company has in fact succeeded in maintaining and actually increasing the share of tasks, including assembly, in Denmark. The strategy has been to concentrate on an ability to function as a co-operation partner for customers in the development, testing and production of a large range of products. By the same token, the enterprise can now handle deliveries in both very small and very large order sizes. So far, the possibility of outsourcing has primarily been used as an argument to convince potential and existing clients that the company will be able to handle mass production of the developed products if necessary.

The combination of contact with enterprises in Lithuania and the maintenance of the head office in Denmark makes it possible for the enterprise to be close to the customer in connection with the development of prototypes. Small series (up to 500 units per year) can advantageously be manufactured in Denmark; it is planned to move all mass production to Lithuania. The decision as to where production will take place is dependent upon customer requirements: the enterprise can submit two quotations, one for production in Denmark and one for production in Lithuania.

The managers interviewed argued that increased competition calls for better and broader competencies for the employees at the Næstved plant. Rapid changes as regards production of smaller orders but also between various operations make communication and teamwork essential skills. In the Autumn of 2003, the company was experimenting with new forms of work organisation in the assembly line and introduced partly autonomous groups. So far the experiences have been positive according to both employees and management. It is expected that in the future, employees will be in charge of fewer products, yet they will need to conduct more testing, work with logistics and see to shipping. Every new task brings new information that the employees must know how to deal with, and they must learn to seek additional information when necessary.

The introduction of education and training programmes in the enterprise arose from wage negotiations and a demand from the employees for a higher pay. This demand was met with a counterclaim from management: if the employees wanted a pay increase, they had to provide something in return. Employees had to be willing to acquire new knowledge and competencies. Thus the pay increase was conditional on adult and continuing training. At that time the enterprise considered such training a strategic development and started to plan a number of employee courses. It soon became apparent that many of them had difficulties reading, writing and calculating. Before it was possible to implement major company-oriented course activity, employees had to be equipped with a higher level of basic skills. All employees were tested in Danish and mathematics in order to clarify the level of their skills. Subsequently, those needing to improve their skills could participate in a Preparatory Adult Education (FVU) course implemented with the assistance of one of their representatives who acted as a broker. The training took place at the enterprise and was delivered by teachers from the Adult Education Centre (VUC). Today all the employees have an individual training plan, although the management's point of view is that performance reviews are a better tool for the continuous development of their staff.

In the Autumn of 2003, it was decided to embark on a new training initiative involving all groups of employees and all management levels. The local college was entrusted with the planning and implementation aspects of the initiative. The intention was to promote a joint understanding of the company's objectives as well as the future demands for workforce development. It was made clear to all staff that if they refused to participate in the development of the enterprise, they would need to seek employment elsewhere.

When sending an employee on a training course in the AMU system, the enterprise receives approximately DKK 600 (EUR 80) per day per employee – which amounts to 60-70% of the wage bill of a low-skilled worker. Following on from this first initiative, a second programme was adopted that cost DKK 200 000 (EUR 26 900); the company paid DKK 80 000 (EUR 10 750) and received subsidies for the remaining DKK 120 000 (EUR 16 150). It had to pay for the training in advance whereas the subsidies were being paid after completion of the training, which created time lags of two weeks to two months.

The company's first project was within the framework of a FVU course. These courses have enjoyed a great deal of interest in the Storstrøm region, especially from the unions representing low-skilled workers. For example, a consultant from the Danish Confederation of Trade Unions was hired to promote information about FVU in the Storstrøm region. To many employees, an FVU course tends to be the first contact with the educational system for a long time, and therefore FVU has received a great deal of attention as a tool for future education and training projects.

#### Enterprise B: The ferry company

The ferry operator employs some 2 700 employees and has the responsibility of running several ferry services. The author's focus for this chapter has been on two particular Danish ferries in the southern part of the region. There are around 400 staff at the ferries; 250 of these employees work within the catering section, i.e. for the cafeterias and restaurants. The group that have been involved in the training programme discussed below are the permanent staff of cafeteria and restaurant personnel – a group of approximately 80 employees. Several special circumstances related to the enterprise must first be considered to understand fully the background of the project and the initiatives implemented today.

The majority of the employees on the ferries are low-skilled and lowpaid. There has always been a large turnover of staff, and as a consequence the enterprise has constantly had new employees in training. Furthermore, the work is very seasonal. Thus the company doubles its staff in the summer period. It is easy to maintain a pool of substitutes during the season because it is known that the permanent employees are recruited from the group of substitutes.

The new development began with the launch of new ferries in 1997 and subsequent staff reductions. Until that time there had been no notable or systematic use of education and training for this group of employees. Only very few employees had participated in courses on their own initiative, and even so it was difficult for them to integrate new knowledge into the daily work due to strong routines.

In 1999, a new turn brought the manager and employees to consider a more systematic use of education and training. The process started with the prospect of a closure of the ferries' duty-free sales. This had constituted a large share of the ferries' business, and a closure would have resulted in the layoff of 10 to 12 employees on each ferry. Management, the senior shop steward, trade unions and the local PES agreed that every attempt should be made to keep all employees on until future business prospects were clarified.

One of the tangible suggestions was to take over the cleaning of the ferries. The company itself had previously undertaken this function, but cleaning was now outsourced to a private company. However, management felt that it would not be financially feasible to take back this function under the current circumstances. Discussions led to the idea of planning a line of educational activities involving all employees in the cafeteria, with the purpose of keeping the employees but also improving their technical skills.

Interviews and questionnaire surveys were conducted among the employees in order to ascertain their wishes and education needs. These were subsequently presented to the management and a course programme was scheduled. There was considerable overlap between the employees' and management's interests, and it was therefore easy for the representatives from the PES and the educational institutions to meet the interests of both parties in the final layout of the activities. The courses were especially designed for the ferry service and comprised *inter alia* sales and marketing, foreign languages (particularly English and German), kitchen, hygiene and cooking. Communication and teamwork skills were also offered.

The sessions were arranged in co-operation with the PES and the local educational establishments, *i.e.* the General Adult Education Centre (VUC) and the Centre of Vocational Training and Education in South Sealand (CEUS).

This first round of education and training activities was implemented as a "rotation-project", described earlier in the chapter. The motivation for choosing rotation was both practical and financial. It was a way to secure substitutes in the permanent employees' training period, and at the same time procure a high level of financial support for the project. The rotation programme was financed partly through funds from the PES and partly through financial support for the Regional Labour Market Council. The company itself paid DKK 500 000 (EUR 67 250), which amounts to one-tenth of the project's cost of approximately DKK 5.5 million.

The unemployed were recruited through the local PES and attended courses for eight weeks to be able to act as substitutes for the ferry staff during their courses. Management wanted to be assured that the substitutes could take over on the ferries right away so that no additional training time would be required. The advertisements for substitutes resulted in 80 to 90 applications, but only 20 people were needed for the project.

For the following ten months, the "alternating" pool of staff went to work for four weeks and attended courses for two weeks. The session was arranged so that the substitutes had a permanent job for ten months while they switched between the training centre and the ferry every two weeks. The project ran from autumn to May, but the employment of the substitutes was extended over the summer. Therefore, the substitutes were employed for a whole year.

After the ten-month period, the permanent employees returned to the ferries. There had been no change in their work functions and on the whole, their jobs had the same content. However, a middle management level had been removed and more responsibility could be delegated to the employees. It turned out that the closure of the duty-free sales on the ferries did not have the feared effect on the number of passengers. The company was therefore able to keep all the employees and all the substitutes who wanted to stay aboard. Some of them found other jobs after they had participated in the programme, but approximately half remained. The project has had a positive effect on recruitment of new personnel. In 1997, while the enterprise still operated the old ferries it became difficult to recruit staff for the summer work, the so-called "butterflies". The enterprise developed a bad reputation in the local area because of its high turnover of staff. The rumour was that "butterflies" were only given very simple and unappealing tasks that no one else wanted to carry out, and that they were not taken on subsequently.

Allowing groups a degree of autonomy has eased the recruitment process. The employees have obtained higher job satisfaction and productivity has improved. At the same time, the employees have had an increase in wages; they still receive a fixed minimum pay but it is now possible to negotiate additional bonuses on a case-by-case basis. The management has noticed a decrease in staff turnover and absences due to illness. The previous average employee attachment was three to four months; the enterprise now has staff staying on for several years.

As an example of the dissemination effect, it is noteworthy that the ideas emerging from the project have subsequently been extended to include the shop personnel of the two ferries, and have also been adopted on the company's other ferries with great success.

As a continuation of the first programme, IT and language courses for all interested employees have been set up in co-operation with the adult education centre (VUC). The education takes place at the workplace but during the employees' time off. The enterprise pays for the training. Even if such skills are not strictly required in the workplace, it is considered to be in management's interest to grant the employees' wishes to attend supplementary training. The employees receive primarily IT courses within this framework, since this is the area for which demand is currently the highest.

Several other activities have followed the rotation programme. These have aimed at breaking down the cultural and professional barriers that have dominated the ferries until recently. Each ferry has traditionally had permanent staff teams, and as a result communication difficulties have emerged between the employees of the two ferries. It used to be difficult to arrange substitution at the other ferry, as the groups did not communicate with each other. Some of the activities that have followed the first programme have revolved around team building exercises. Excursions have been organised, during which staff have been challenged with problems and new situations; this fosters a team spirit outside the usual workplace.

Today, it is common for the enterprise to implement a training session for all newly employed staff before the start of the summer season; The training lasts six weeks and summer work follows. The same training session is repeated for the new substitutes every spring. There are also training sessions for the permanently employed staff. The training content alternates depending on the enterprise's and the employees' wishes. The enterprise does not use individual education plans, but instead focuses on the group of employees as a whole when deciding which educational offers could be useful. Every year, the employees are consulted about their specific interests regarding education, and the enterprise endeavours to co-ordinate them with its own priorities.

Enterprise B has attempted to broaden its training offer to include courses leading to vocational qualifications. As an example, some employees have participated in the first levels of the catering assistant education course, launched within the framework of adult vocational training. However, due to mergers between the educational establishments the course has recently been transferred to a technical school, a move that has created some uncertainty among management.

The steering group that initiated the first programme is still in place. Every two months, meetings are held between management, senior shop stewards, the PES and CEUS to plan new training sessions. This network – especially the personal contact that has evolved between the representatives from the unions, the PES and the vocational education institutions – has been decisive in successfully promoting education and training activities.

#### Enterprise C: The textile company

This enterprise has seen remarkable development since the end of the 1980s due to changed market and competition conditions. The company moved to its present premises in the surroundings of Næstved in 1989. At that time, there were between 60 and 70 employees. When establishing the new facility, great emphasis was placed in guaranteeing a pleasant and safe working environment. For example, much thought was given to lightening, sound insulation and flooring.

Today, the enterprise has between 15 and 20 employees, all split between the sales department, administration and production. While the company employs one permanent designer, it also relies on a network of designers who provide extra assistance in the design phase of new products.

The entire production takes place abroad but is divided into two groups: The "small scale production" takes place in Poland and Ukraine while the "large scale production" takes place in the Far East, i.e. in India and China. At the Næstved location, only one of the automatic cutting machines (CAD/CAM) is still in operation. In 2002, it was decided that one-third of the premises would be leased out because the enterprise no longer required the same amount of space. Enterprise C originally focused on the production of highly specialised, high-quality coats. The classic product was the parka (a dark green jacket made with a heavy fabric and with a fur edge on the hood). It then switched to lighter products made out of new fabrics, destined for the "profile market", *i.e.* for those in public services and B2B.

Today the enterprise supplies uniforms to the Danish Police, the Danish Post Office and the Scandinavian Airlines System, among others. The parka is no longer in production. Apart from B2B productions, the enterprise manufactures its own line of leisure and outdoor clothing items.

Usually, the company enters agreements of several years' duration with its larger customers. For example, it has a five-years agreement with the Danish Police. The first and the last uniform to be delivered during these five years must be identical as regards material, shade and details, unless the customer's requirements change during that period. This type of product calls for a high degree of control, both in Næstved and at the facilities abroad.

Not all products are manufactured by the enterprise itself. In order to supply its customers with a "full package deal", some products – *e.g.* shirts – are ordered from sub-suppliers. The shirts and jackets can be supplied with embroidery and/or branding according to the customer's wishes. This process still takes place at the Næstved plant. The first step in manufacturing when a new product is to be developed is the initial meeting with the customer. Based on the input from these meetings the enterprise will normally suggest three models that can vary in price, colour and design. From these three suggestions the final model is selected.

Once the enterprise receives the final order, the Danish employees prepare a detailed sewing instruction, which accompanies the pre-packed materials to the plant in either Eastern Europe or the Far East, depending on the size of production. The finished products are returned to Denmark where the final control is performed.

However, a few product operations are still performed in Denmark. This especially applies to the specialised orders and designs, *e.g.* to an order for 20 jackets where specific measurements are given for each jacket. The jacket itself might be produced abroad but the finishing is carried out at the Danish workshop.

In the past, the enterprise had experienced complaints regarding packing and distribution. A control system providing precise weighting of the packages to be dispatched was introduced, as was a production tracking system that enables the company as well as the customer to keep track of the shipment via the Internet. As a result, the company now receives very few complaints.

An education and training plan was drawn up for every employee who sought to match their and the company's interests. At first the intention was to prepare the low-skilled employees for the new forms of work organisation and new job functions that developed through the changed production system. Subsequently, a broader objective was pursued, not only to address the need for co-operation inside the separate departments, but increasingly also to transcend the traditional hierarchical structures. The development of the enterprise's organisational structure is increasingly emphasising the ability to co-operate and communicate.

Enterprise C's priority today is to control efficiency and quality in its production. Rendering of exact sewing descriptions and technical drawing are considered essential competencies. The sewers must also be able to handle direct communication with customers and subsidiaries. The company's latest training programme involves the entire staff and has English and German as well as IT skills as a central feature. Seven employees have received 30 hours of English lessons, six employees have completed 30 hours of IT training and three employees have started German at a level directed specifically at their skills levels and needs. The project focuses on competence development with for example elements of product planning, logistics and sales as well as team building and stress management. The scheme implemented in 2003 and 2004 has an annual budget of DKK 1.3 million (over EUR 1.7 million), co-financed by the European Social Fund. The enterprise has paid half of the expenses but has had a great deal of administrative work related to the co-financing aspect, entailing additional expense.

During the past twelve years only five new employees have been hired. Since 2002 however, a somewhat larger staff turnover has occurred, primarily among administration staff. During the interview for this chapter, the general manager argued that the relatively high average age of it's the company's employees might result in recruiting problems in the near future. The enterprise has an ongoing policy of providing work experience to students from the country's clothing and textile industry trade school (Tøj og Tekstilindustriens Brancheskole) to try and maintain their interest in working in the trade.

Enterprise C has used private consultants to implement and promote its various training projects. The management has to a great extent used the media to attract attention. The SiD union has pointed to the enterprise as a textbook example for the development of low-skilled employees.

Years ago, when the enterprise's entire production was still based in Næstved and it received orders for 5 000 jacket units, each employee performed one single operation of the production. The work organisation was dominated by Taylorist methods of production. When the composition of orders changed, Enterprise C got involved in a joint project with two other textile companies in the early 1990s. The project's objective was to single out those portions of orders unsuited for the piecework system and traditional assembly line, and instead support the development of new forms of cooperation among the sewers. The aim was a more flexible work organisation that would also give the sewers greater variety in their work. Rather than perform a single or very few operations, the sewers were to learn how to produce the entire jacket. In the beginning only a small pilot group of 10 employees worked in this fashion, but in 1993 the enterprise decided to spread flexible work organisation to the whole workshop. However, not all employees managed to adapt as well as the original pilot group.

In fact, all the company's training efforts of the past fifteen years have been directed at flexible work organisation. It has attempted to introduce a new and flatter structure to replace the previous pyramid model of organisation. The current objective is to obtain a totally flat organisation; combined teams of sewers, sales personnel and designers will be working entirely on a project basis. The sewers will thus bring their experience and knowledge of the production conditions and possibilities and be on equal terms with representatives from the other staff divisions.

Finally, a staff exchange programme has taken place with Greek and Italian enterprises. For example, the Danish sewers presented the results of their work with new machinery to the management of an Italian enterprise. In turn, the foreign employees joined the Danish enterprise for a short period of time. Representatives from mid-level management at enterprises in Poland and the Ukraine visit the enterprise in Næstved every year to learn about new products and quality demands. The visits include social gatherings and are seen as an important element in transcending cultural gaps in transnational co-operation and learning.

It is noteworthy that among these three case studies, Enterprise C had the longest experience of workforce development. This enterprise has shed light on the importance of adopting a long-term and coherent perspective to skills upgrading, education and training. In other words, it has served to highlight the importance of process issues: how training programmes were originally introduced, how and why they were continued, and what their outcomes have been.

# Implementing training initiatives for the low-skilled at company level: processes and outcomes

The following section explores the constraints on and opportunities for introducing training initiatives; the process of implementing a successful training strategy; and the outcomes of such initiatives.

#### Setting up education and training projects

The training initiatives implemented in the three case study enterprises have all resulted in a dissemination of educational activities so that, subsequently, more or all employees have become involved.

Previously at the three enterprises, the employers offering courses had primarily been motivated by one of two factors: either the need to give employees a very narrow and specific technical competence development (like sewers who were to learn a new sewing technique) or stagnating production. Under the AMU system, employers who provide training to their employees are entitled to receive a subsidy. While the subsidy does not cover wage expenses in full, its level can reach up to 60% for a low-skilled worker. During periods of economic sluggishness, enterprises have been able to transfer some of their wage expenses to the AMU system by sending their employees on training courses. However, this use of the training system is often based on last-minute decisions and result in a very random selection of courses. Interviews with some of the social partners have revealed that this practice is very common, especially among SMEs.

The three case study enterprises have been representative of that attitude, still widespread in smaller enterprises today. Therefore, it is crucial to take a closer look at what started the process in the case enterprises and what has contributed to the adoption of education and training initiatives.

Today, the managers of these enterprises all emphasise the importance of co-ordinating education and training of employees with overall business development strategies. The managers cite changes in market conditions, increased competition and the resulting requirements for flexibility and adaptability at workplace level as triggers for the training projects. However, a closer look at the factors that originally initiated these processes suggests that chance and fortunate coincidence have played a central role.

At Enterprise A, the education and training project came into being within the framework of wage negotiations. It will be recalled that originally, a demand from the employees for higher pay was at the heart of those negotiations. This demand was met with a counterclaim from management. If the employees wanted a pay increase, they had to give something in return. The management did not want to give a pay rise unless the employees put in extra effort. Training represented a coherent option and the pay increase was made conditional on its adoption. The management asked that the trade unions carry out the initiative. Subsequently, the cooperation between trade unions and educational institutions facilitated the progress of the project. It was accidental. I had not given it a single thought. But a lot of things happen like that. We had not thought it through, but it has become very structured since. And the fact that it has turned out like that – because I perhaps have seen now that it is positive and sensible – well, that is ok (Manager, Enterprise A).

At Enterprise B, management, shop stewards and representatives of educational institutions were holding a meeting to discuss the radical change in the business environment. The aim was to retain the employees until the consequences of the new situation became clearer. It was anticipated that half of the permanent staff would be made redundant but nothing was certain at the time. The first education and training project emerged with the objective of retaining the employees in the interim period. This initiative was therefore very short-termist in nature since it was devised as an "emergency" procedure.

When Enterprise C was invited to participate in a joint business project involving several companies, the invitation was to replace a company that had backed out. The director was persuaded to participate by a personal contact of one of the consultants on the project. He accepted the offer because at the time, managerial staff had expressed interest. Also, the project was very relevant to the change in the order mix.

In all these cases, it appears that considerations were mostly financial (retaining employees, changed order mix, wage negotiation). The long-term focus on education and training as a part of business development strategies can thus be seen as a consequence of the positive experiences that followed the first step. The greatest challenge was to embrace the cultural change that the engagement with training implied, such as the need to rethink the job context and to be prepared to learn. In many cases it required a redefinition of the co-operative relations and job functions. The manager of the textile enterprise remarked that the very first training programme was the most difficult to implement.

We have moved on. But the sewers knew what it was all about by then. They were used to the fact that suddenly someone made new demands of them. But I have to say that the first project was the most difficult. It was really hard to get through! (Manager, Enterprise C)

# **Overall preconditions**

The interviews with the managers have made it clear that education and training initiatives have to be fitted into a busy everyday business schedule. Even though the attitude toward and view of education today have changed at the case study enterprises, the managers' primary concern is naturally to ensure the daily operation of production. In spite of work pressure, they have chosen to give education and training high priority. The time needed to complete them has been found, even during periods of extra work pressure. As one of the managers argued:

It is a question of planning and of taking time off to do it. You can often hear people say: "We don't have time for that". But you do not have time, unless you take it! (Manager, Enterprise C)

For the initiatives to be successful, managers needed to ensure that education and training would not hinder the overall running of the enterprise. Accordingly, several preconditions can be identified.

#### Payment of subsidies

The primary concern of the managers was to ensure a sound financial basis for the training projects. In all three cases, the possibility of receiving subsidies was a decisive factor. The managers all said that without that possibility these projects would not have been initiated. Education and training of some sort might have been offered but the form would have been different and the scale definitely a lot smaller. Generous training subsidies from government have made this option quite attractive to employers. The wage gap is relatively small, particularly for the low-qualified. However, delays in payment of the subsidies were seen as a major problem for two of the three case study companies. One educational consultant argued that problems can arise if the subsidy is not paid within three months of the start of the project.

#### Time

Time is a central concern when discussing education and training initiatives – particularly for SMEs – and it was a decisive factor at the electronics enterprise. Management felt it important that as little time as possible be set aside for the training, particularly for overseeing its implementation. On-thejob training was thus an easier option. A further facilitating element has been the presence of other actors such as educational consultants from both the public and private sectors; the unions; or a mixed team of actors who organise the training and deal with the practical aspects of its day-to-day running.

#### Temporary staff

At some enterprises, an important precondition is the availability of substitution schemes. This was, for example, decisive for the training initiative at Enterprise B. Planning the initiative as a rotation project ensured a permanent pool of temporary employees, along with considerable subsidies.

#### A focus on enterprise needs

The three enterprises used different models for the planning and implementation of their education and training initiatives. Importantly, each

project was suited to the special circumstances of the company. For example, management at the ferry company felt that the social dimension of the courses was just as important as the job-related content. The fact that employees got a break from their everyday routine proved highly motivating. This example highlights the possibility of planning courses of several days' duration that allow time for social activities in the afternoons and evenings and add value to the vocational and technical aspects of the course.

# Co-operation with external partners

All managers argued that partnership is the most important precondition for initiating and carrying out training initiatives. A good partner has to be able to fulfil many functions - particularly, as argued above, in relation to easing time constraints. It was found that enterprises have a need for partners with a good knowledge of education and training possibilities and of funding mechanisms. The companies all lacked the necessary resources to keep themselves up to date concerning the training courses on offer and application procedures. Likewise, it proved challenging to cope with the often huge administrative burden that comes with most subsidised education and training projects. Moreover, it was emphasised that a good partner had to be able to keep everyone involved in the project on the right track so that it can be completed within schedule. The managers argued it was important that a relationship of trust had developed between them and their training partners, particularly as they felt that many local labour market actors did not have the required drive. Personal relationships therefore appeared to have a significant bearing on the possibilities for successful co-operation and on the development of education and training projects.

# Follow-up: hire and fire?

One crucial question remains: why has the management of these enterprises chosen education and training as the solution to the changing demands instead of firing their low-skilled employees and hiring new ones?

There appears to be a major ethos regarding tacit "employment contracts" between employer and employee among the managers interviewed. The enterprises retained the employees because they had fulfilled their jobs satisfactorily and showed potential for future development. Despite the fact that they are low-skilled, the employees had worked for the enterprise for a long time and had acquired an important stock of knowledge and know-how that employers are reluctant to deplete.

It was necessary to upskill the employees, because, otherwise, we had to find someone else with these qualifications, and that would be absolutely crazy, when the potential is here (Manager, Enterprise A).

Of course, such perceptions cannot be taken for granted. Representatives of educational institutions and trade unions argued that many employers in fact have difficulties seeing the need for education and training. In this connection, a distinction can be made among three types of training: first, the very specific courses related to the existing job functions; second, education and training towards basic skills; and last, training initiatives aimed at more general qualifications. Several managers had difficulties in accepting the argument that it is their responsibility to upgrade employees' qualifications, especially in the last category. According to them, this is something employees have to do in their spare time if they want to keep their jobs. One of the arguments used to persuade these managers to use skills upgrading as a strategy is a consideration of what it costs to hire and train new employees compared to what it costs to train existing staff. The line of argument presented by educational consultants holds that it is easier to get managers to consider education and training initiatives if these can be directly related to economic concerns, as for example reducing turnover costs.

#### Employee commitment, scepticism and resistance

Both representatives of trade unions and educational institutions have played a central role in initiating education and training projects. But the decision to do so is still a management decision. Therefore, under any circumstances, it is management that needs to be persuaded. Trade union representatives and the representatives of educational institutions found that "getting a foot in the door" of the enterprises was the greatest challenge. A further challenge was to make employees commit to the projects.

Employees' motivation to train is related to improving their working and private lives. The fear of losing their jobs can make employees see the necessity of committing themselves to education and training projects. However, in many cases the immediate reaction to education and training measures is often scepticism.

Several employees interviewed for this study expressed some insecurity with regard to starting an education and training course. They felt particularly uncertain as to whether they would be able to handle the demands made on them, and expressed worries about revealing their weaknesses, whether job related or personal. To them, the learning environment represents a lack of personal control that stands in contrast to the ways they normally interact with their colleagues.

Another source of scepticism and worry stems from the inadequacy of information provided from management, which can lead to speculation about the reasons behind the education and training measure. Employees thought that training might be a sign of future redundancies to come, and so could not see the point of it.

I want to know: Why does the enterprise want you to go [take the training]? So that you do not feel that this is something fortuitous, [but instead] being forced on us, [something] you do not have influence on. Perhaps that is what makes people a bit negative (Employee, Enterprise B).

The purpose and strategy of education and training must therefore be presented to staff in such a way as to favour a climate of consensus. Clear information about training initiatives can thus prove an important step in the right direction to address the feeling of lack of empowerment among employees.

Furthermore, many employees referred to negative experiences they had had with education and training as a reason for their scepticism; in some cases these experiences dated back to primary and secondary schooling. But experiences from other courses and training initiatives in adulthood can also play a central role. For example, some employees of Enterprise B referred to their employers' previous courses that had not led to any career improvements or opportunities for progression. Special efforts were therefore made to persuade the employees to participate in the rotation project.

The representatives of the educational institutions did not regard the attitude of the employees as the most significant barrier to education and training. Their experience was that employees are often insecure at the prospect of education and training projects, but that they can be motivated by becoming involved in the process. This involvement can take various forms. In the case of these enterprises the general model has been to consult with employees prior to designing and implementing the training initiatives.

The three enterprises had in common the fact that they tried to base their education and training initiatives on the needs and wishes of their employees. As a result, the employees felt that they were taken seriously, that management wanted to invest in them and that it was no longer just the highly qualified workers that were offered education and training opportunities. Employees argued that these positive signs motivated them to commit to the workplace and to take on more responsibility in their daily work.

The financial aspects have turned out to be of real importance to the employees. Unless, for example, all matters related to wages were clarified before the initiation of a training initiative, it could quickly become a barrier. This was the case at the ferry company, where employees were dissatisfied with the fact that their pay was not increased during a team building excursion that exceeded normal working hours. At the textile enterprise, the shift from piecework pay to hourly wages meant a significant reduction in wages for a number of employees and had to be clarified. Moreover, employees very rarely take the first training or education initiative themselves. Employees and managers of the two enterprises that have implemented education and training initiatives over a longer period say that the employees have begun to expect education and training and take it for granted. Many employees argued that they trusted management to continue to take the initiative.

In this respect, trade unions have been a great driving force. Education has traditionally been one of the central concerns of the trade union movement. The educational consultants who are representatives of the trade unions have the remit to promote education initiatives for the members of the union. Today educational consultants are found in the majority of the trade unions, but especially those with the highest numbers of low-skilled workers. For example, the SID (General Workers' Union in Denmark) and the KAD (Women Workers' Union in Denmark) have approximately 15 educational consultants each. These actors provide the link between their members, enterprise managers and local educational establishments. Their strategy is to provide a better fit between the interests of employee and employer.

If the enterprise says "we want to define quality", then we say "that is fine, but the reason we want to do it is that it gets our members started on education and training, and afterwards we can take it from there and move on". So, there can be several goals. It is just important that you are open and honest about it. Trust and personal relations are very important in this connection (Educational consultant, trade union).

The trade unions are committed to education and training, as they are aware that a large portion of their members are in danger of becoming marginalised on the labour market. They see their role as one that compensates the lack of action and resources from government in this field.

We do it because this resource does not exist anywhere else - other than if an enterprise is willing to pay for it - and they are not going to do that, and that has negative consequences for our members (Educational consultant, trade union).

To a great extent, the trade unions' role can be seen as a "business of persuasion" in relation to members, enterprise managers and educational institutions. The ways of getting in contact with the members and the managers and the dissemination of information have been adapted. One attempt is to reach members by turning the course participants into ambassadors of education and training at their workplaces and by sending personal letters. These practices are based on the recognition that only a very small share of the members are going to seek education and training themselves. Managers, particularly at SMEs, are contacted by letter, by telephone and through enterprise visits. The experience is that the majority of the managers can be persuaded to discuss the need and possibilities for education and training initiatives, but this action is very time-consuming and there is a constant need to follow up actions at almost every enterprise.

# Education and training: experiences and outcomes

The question of whether education and training is to take place during working hours or in people's spare time is one that dominates employees' concerns. It is important to emphasise that the great majority of employees who were interviewed as part of this study proved very satisfied with the education and training courses in which they participated. But few were inclined to spend their evenings on training. Hence unless the initial education and training initiative can take place during normal working hours (either on or off the job), the idea will rarely be given serious consideration. Moreover, several employees pointed to the fact that it was difficult to finance their own training on low incomes. The choice of tutor is also crucial to the success of training, particularly with regard to creating a pleasant working atmosphere in the early stages of the programme's implementation.

When employees become accustomed to education and training, they make new demands on the tutors. For example, the course participants require that their tutor take into consideration the experiences they bring with them. One of the employees from the ferry describes an experience with trainers who did not meet expectations:

They had an expectation that we were like little children who did not know how to do anything ourselves. They certainly treated us that way (Employee, Enterprise B).

Managers as well as employees are aware of the importance of having professional tutors as business partners. The trainers need to know the enterprise so that they can tailor training to the employees' tasks and duties. Interviews with the educational institutions suggested that the recruitment of suitable tutors was relatively straightforward. But the demands are high, and one of the enterprises called off its co-operation with an educational institution because the tutor was found unable to fulfil expectations.

Moreover, the content of training courses must be geared to the workplace so that it can be applied immediately. Some employees argued that in certain instances, what they were being taught was not relevant to their job tasks.

The teacher has to be able to teach. The one we had, she was skilled enough – no doubt about it – but not at what we needed her for. Why did we need to learn about German wine? We cannot use that for anything in our daily working life (Employee, Enterprise B).

The selection of training material is crucial to ensure the link between training and the workplace. Few enterprises have a possibility of furnishing specially designed training material to certain employee groups, but at the FVU (Preparatory Adult Education) courses run by FOA-Storstrøm with participants from the social and healthcare area in the region, training materials have been developed that are aimed directly at the participants' working lives. The themes discussed relate to central problems of the profession, and the terms used are selected on the basis of the technical terminology used by employees. The programme has been a great success, and is to be expanded to include courses with participants from day nursing staff.

A common feature of the three enterprises is that they have all had part of the training initiative take place at the enterprise. At the electronics company all training took place on the job. In the two other cases the training has taken place both at educational institutions and at the enterprises.

Employees, management and trainers have all had training experiences. Once again, the primary concern was feasibility. Transport time was emphasised by both employees and management, and employees are aware that saving transport time is one of management's greatest motivations for choosing training on the job. Some of the employees also considered it an advantage not having to deal with transport to and from an educational institution and to be in familiar surroundings at the enterprise, learning with other colleagues. Such considerations have positive effects on attendance, especially for employees who are not familiar with education and training.

However, it was mentioned that concentration and creativity might be higher if training takes place off the job. It can be difficult to ignore what takes place on the other side of the door.

One of the trainers in Preparatory Adult Education who worked with Enterprise A mentioned that in other sectors of activity such as the social and healthcare sector, training takes place in the trade union's facilities and is delivered intensively throughout the day during a set period. She argued that the levels of concentration are higher in those classes than at the classes she delivered at the enterprises. However, such delivery methods are not suited to every sector and every type of activity. One of the major problems is that many employers, particularly SMEs, have difficulties finding substitute employees.

When the enterprises were asked to be explicit about why they had decided to implement and continue the initiatives, they often pointed to rising demands of constant development and the need to think of employee resources as a way of creating a new parameter of competition. As one of the managers argued, "The enterprise is developing, because the employees are developing". This view of education as the tool for ensuring development has been recurrent throughout the study. The managers also felt very positive about the prospect of making the low-skilled capable of taking over more and more tasks and to make increasing numbers of decisions by themselves. A great deal of motivation lies in the fact that managers have noticed tangible changes at the enterprise as an outcome of the initiatives. Especially at the textile company, work organisation, co-operation patterns and production layout *inter alia* were revamped as a result of training initiatives. Clear outcomes and the feeling of success have led to a greater willingness to take a risk when moving towards new initiatives.

And when you have tried it once – well yes, it is tough – but it is also exciting. Because there are visible results. You can see that the way we are operating now is totally different from the way we used to (Employee, Enterprise C).

The majority of employees have difficulty being explicit about what they have gained from the training initiatives. They often choose to describe the change they have noticed in their colleagues' attitude.

They have learned a lot and they feel that they know a lot now. That is, you feel that you have improved your skills and you get more self-confidence. You develop yourself, because you feel that you can do something (Employee, Enterprise A).

The employees that were interviewed found that the training initiatives brought a real change to their working day. While there might have been no real change in job content, it still appears that the initiatives have changed "the way things are done". The employees felt that they have been provided with a deeper understanding of their daily tasks and that this new knowledge has enabled them to perform their job in a more meaningful way. In these cases the training initiatives have contributed to an increased empowerment of the employees and started a line of development that received support from managers as well as the employees themselves.

Some employees did not believe that training makes any difference at all. Such perceptions were most frequent among employees who were still in an early phase of training initiatives. In these cases the effect of training can mainly be linked to personal commitments, and usually this is also where they have found the initial motivation or requirement to start the training. Moreover, a few of the employees reflected that their positive attitude towards training had been a significant factor for keeping their job. Thus job retention seemed to be the one positive outcome.

The managers with experience from several training initiatives stressed that there are no shortcuts: significant progress tends to happen through incremental change. But because changes happen very slowly, hindsight is required. It is necessary to compare the actual situation to the situation that prevailed two or three years back in order to take stock of progress. One of the managers argued:

As you know, you have to take small steps. All the time you are taking small steps. I know that too, but it was one of our very big problems when we carried out the first training programme: the girls (the sewers) and the staff thought it went much too slowly. They simply felt that nothing changed – they felt it was a waste of time and money, because nothing happened. That feeling lasted until we were able to say: "Now take a look at what has happened. Take a step back and see the changes in a longer perspective". And then they could see it (Manager, Enterprise C).

At Entreprise A, which had limited experience of training, most of the employees did not express the specific wish to continue training. But those who had attended the first course were backing up the enterprise's future initiatives – and most of *them* were looking forward to further training.

One of the most important outcomes of the training initiatives is that they have given the employees experiences that have made them more positive about education. All participating employees had the desire to continue the process and to proceed into the next training programme at the enterprise. Some employees had become aware that it is possible to proceed into further education and some of them have thought of finding another job. The training programmes have in some cases motivated growing ambitions regarding middle management positions or plans of regular education and adult apprenticeships.

### **Conclusions and recommendations**

This chapter has sought to explore the constraints and opportunities of initiating training initiatives for low-skilled employees. Through the example of three selected case study enterprises, it has described the process and outcomes of implementing a successful training strategy.

The focus on training and education as a strategy for workforce development in these companies has gone hand in hand with rising market demands, changes in market structure and increasing competition. However, even if the three enterprises can be seen as examples of best practice, the initial adoption of training courses could be described as "accidents" helped along by external actors such as union representatives, educational institutions and private consultants who played a central role as partners of these enterprises.

A key question that the chapter addressed is whether and how an isolated training initiative – often adopted in the spur of the moment – can be made sustainable and become an integral component of the company strategy.

Education and training proved an essential means to job retention for low-skilled employees. As employment opportunities for unskilled workers are expected to diminish, employees' inclination and motivation to resort to education and training will be decisive for their future labour market prospects. Lack of motivation on the part of employees is often the result of poor experiences with the training system itself or a lack of training provision in their locality or workplace. The tutors interviewed during the research argued that such barriers can easily be overcome provided that management is prepared to take an inclusive approach to training and engage fully with the initiative.

The major challenge is to convince management to invest time and effort in education. Companies are often very busy and the working days are dominated by short-termism. Managers and employees often prefer to stick to their daily routines as it takes extra effort to make room for education and training.

Those barriers can best be overcome through the following:

- Provision of training programmes specifically designed for the working and production conditions of the enterprise.
- Demonstration of visible results, for example by presenting managers with the successful experiences of other companies.
- Assistance and support throughout the implementation of training. This task is very resource-consuming, as it relates not only to administrative aspects but also to factors such as motivation and internal communication.

# **General preconditions**

Certain overall preconditions are necessary, as workplace practices depend to a great extent on the national institutional framework for adult education. Three can be identified:

- 1. Available programmes of adult education and training that relate to the specific needs of the enterprise and that take account of design features as well as time, place and content. This aspect represents a major challenge for training institutions and for tutors in particular. Moreover, programmes must take into consideration the personal commitments of the employees and the possibility of implementing training.
- 2. The possibility of financial support: subsidies and financial assistance mechanisms need to be structured in a transparent way and their administration given high priority so as to avoid delays. In particular, these should not burden companies, particularly SMEs that do not possess the time or resources necessary to handle administration of training programmes – especially those that are EU-supported.
- 3. Partnership as the driving force when designing and implementing the initiatives. It should provide an overview of the educational system and the opportunities for financial support, as employers rarely possess the relevant information. One solution might be to support the temporary employment of a co-ordinator in charge of administration and follow-up.

To foster these preconditions a strong political focus is necessary, and that includes a consistent political framework for adult education.

#### Creating a robust education and training strategy

The empirical findings at the textile company showed that national and sub-national policy instruments can be used to train those employees most vulnerable to economic restructuring. In this regard, legislation proved particularly crucial.

The study has clearly shown that the main barrier is getting started; once the barrier is overcome, organisational change can occur as training becomes routinised and embedded in HRM practices. It is therefore important that national policy is consistent in terms of securing educational offers and possibilities of financial support.

Arguably, the greatest potential for skills upgrading lies in enterprises that have already had positive experiences in relation to training, since the motivation of both employers and employees in these cases grows stronger. Cases of "best practice" could therefore play an important role at the local level and be used to promote training initiatives to other employers. Training could thus be sold to employers by employers. However, more research needs to be conducted to explore the extent to which this is done and what the outcomes are.

#### Job development and empowerment

The case studies showed that previous training practices can be a barrier to the implementation of new initiatives. Innovative training practices might go against established routines and form mental barriers. Corporate culture must therefore be taken into account when planning a training course.

The inertia is more acute when employees have experienced random education and training initiatives. The employees interviewed referred to examples where courses had been discontinued or not subsequently implemented in daily work and job functions, and described how this had caused disillusion and frustration. Therefore, appropriate planning must be considered an essential component of a successful training strategy. In particular, consideration must be given to linking the content of the training to the expected development of job functions and personnel responsibilities. Moreover, the potential empowerment of the employees is high when consideration is given to their personal wishes and commitments in implementing initiatives.

The employees often possess both specific and generic knowledge of the company that is extremely valuable, and they have important contributions and ideas to offer toward improved production, new methods for work organisation and quality assessment. As demonstrated at the textile and ferry companies, it does not take much to make the employees do more on their own initiative and to take responsibility. As soon as it becomes clear that their ideas and suggestions are welcome and respected, action must be directed at encouraging the mid-level managers to relinquish some of their power. One way of translating good intentions into practice is to provide specific tools, such as educational planning.

#### **Educational planning**

Educational planning, which enters into several of the study's central themes, is a tool to systematise and clarify in detail a company's educational strategy. In Denmark, "educational planning" is a label that has been placed on a wide range of activities with very different content. Many companies implement training initiatives and inform their employees about education and training, but the ideal model of educational planning involves a long-term, systematic approach based on the present and future need for skills and competences.

Recent research has indicated an increasing use of educational planning at company level. The major reason seems to have been the availability of public funding supporting small and middle-sized companies implementing the planning. Between 1996 and 2002, there have been three such funds. The last two – in 2001 and 2002 – both had an explicit focus on employees with no or little education in companies with workforces of 100 persons or less. Public funding seeks to address the educational paradox under which employees with a high level of education are more likely to have education plans than the low-qualified.

The public sector uses educational planning more than the private sector, and large enterprises use it more than smaller enterprises. A survey carried out by the Ministry of Labour (quoted in Holsbo, Nielsen and Vedel, 2004) showed that 29% of private employers gave educational planning high priority, while 30% gave it average priority and 41% low priority. The public sector displayed similar results (high priority: 59%, average: 32% and low priority: 9%). Within the private sector, 32 of the small enterprises and 88% of the large enterprises stated that they had arranged training for single employees or groups of their staff. Comparison with the responses given in the 1995 survey shows a trend of increased take-up. Indeed, in 1995 the figures were 20% for small enterprises and 49% for large enterprises.

Of course, when training initiatives must be tailor-made to suit the circumstances of each individual employee, it can take a long time for an enterprise to find suitable courses and design and implement educational planning. Most SMEs do not have the resources to respond to the challenge, which is why public funding has been of tremendous help for low-skilled employees working for that category of employer.

#### Information and networks

The Danish educational system is a very broad one. As argued, it offers a wide range of options for individuals and enterprises to choose from. At the same time, the funding of educational programmes has received high priority. The 1990s saw expanded provision of vocationally oriented education and training for adults at all levels. As a result, adult vocational training has grown into a complicated system of educational offers that lacks transparency. The recent policy drive to simplify the structure of the system is a step in the right direction.

However, the recent revisions of the adult educational system have implications. One of these relates to the Individual Competence Assessment, a central element of the new system that will require increased co-operation between educational institutions providing the various strands of training. It is recommended that new networks be created that provide information on how each institution functions and the resources it can bring to the table.

Although the educational system strives towards transparency and flexibility as it develops, to a large extent the enterprises still depend on others to provide them with information on education possibilities and an overview of the programmes. The Ministry of Education's objective of according priority to information systems on the subject seems to be in line with the needs of the enterprises. However, it will take time and effort to make the new information systems known, and these cannot be expected to replace the groundwork of union representatives and (to some extent) local public employment service officials and educational institutions.

#### Building bridges between the national and workplace levels

Interviews with employers and employees suggested that the enterprises' reflections on the possibilities and constraints regarding planning and implementation of education and training did not link explicitly into policy formulation at a national level. Then again their focus is quite naturally on enterprise development, and they are not looking for any direct linkage.

Of course, employers and employees influence policy formulation through the social partners that are represented in the Regional Labour Market Councils as well as on the local school boards. Thus they influence the design and implementation of educational offers on the national level through the sectoral training committees. Moreover, the enterprises do to a certain degree have a direct influence on the variety of educational offers through their expressed needs for training, the educational initiatives they choose at company level, and the institutions they choose for partners. It is through these levels that a mutual exchange of interests between company level and national level is possible. Managers attached a strong importance to the support obtained from partners for the design and implementation of the training strategies at company level. The unions, educational institutions, PES and private consultants have been important actors in the ongoing process of developing training initiatives for the low-skilled workers at the case study enterprises.

Finally, it must be stated that the commitment from these key local actors is activated by their knowledge of both local labour markets and the national legal framework. This knowledge implies that action can be directed specifically to areas where it is known that gaps exist. For example, the unions have chosen to support training initiatives for the low-skilled by employing educational consultants with the remit of providing information on the possibilities of designing and implementing training programmes that suit both employers and employees. They have therefore been able to act as a link between various policy levels.

#### Notes

- 1. The section on national policy has been prepared in co-operation with the Ministry of Education. The section describing the regional context has benefited from the input of AF-Storstrøm, which also selected the three case study enterprises.
- 2. AVU is general adult education as opposed to preparatory adult education.

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# Acronyms

AE AF	Adult Education (Voksenuddannelse) (Denmark) Arbejdsformidlingens – Name of the Danish Public Employment Service
AHRE	Alberta Human Resources and Employment (Canada)
AMU	Adult Vocational Training (Arbejdsmarkedsuddannelserne) (Denmark)
APEL	Accreditation of prior experiential learning (Flanders)
AVU	General Adult Education (Almen VoksenUddannelse) (Denmark)
AWES	Alberta Workforce Essential Skills (Canada)
BLOs	Business Links Operators (UK)
CEGEP	Collège d'Enseignement Général et Professionnel (Quebec)
CET	Continuous Education and Training
CPPI	Canadian Petroleum Products Institute
CTHRC	Canadian Trucking Human Resource Council
CVT	Continuing Vocational Training
DDMI	Diavik Diamond Mines Inc. (Canada)
ERIC	Effective Reading in Context (Canada)
ESF	European Social Fund
ESRP	Essential Skills Research Project (Canada)
ESWL	Essential Skills and Workplace Literacy (Canada)
ETPs	Employer Training Pilots (UK)
FOA	Public Employees's Union (Forbundet af Offentlige Ansatte) (Denmark)
FVU	Preparatory Adult Education (Forberedende VoksenUddannelse) (Denmark)
GCSEs	General Certification of Secondary Education (UK)
GED	General Equivalency Diploma (Canada)
GVU	Basic Adult Education (Grunduddannelse for voksne)
HF	Higher Preparatory Examination
ннх	Higher Commercial Examination
нтх	Higher Technical Examination
IAG	Information Advice and Guidance
JARC	Jane Addams Resource Corporation (US)
KAD	Women Workers' Union in Denmark (Kvindeligt Arbejderforbund)

LIRI	Local Industrial Retention Initiative (US)
LIKI	Lifelong Learning
LMDAs	Labour Market Development Agreements (Canada)
LSEq	Labour Market Development Agreements (canada)
LO	Danish Federation of Trade Unions (Landsorganisationen i
10	Danmark)
LSCs	Learning and Skills Councils (UK)
MOWD	Mayor's Office of Workforce Development (US)
NNSP	The National Network of Sector Partners (US)
NVQs	National Vocational Qualifications (UK)
PES	Public Employment Service
RAR	Regional Labour Market Council (Regionale Arbejdsmarkeds Råd)
	(Denmark)
SERV	Flemish Social and Economic Council (Flanders)
SID	General Workers' Union in Denmark (Specialarbejderforbundet i
	Danmark)
SSDA	Sector Skills Development Agency (UK)
SMEs	Small and medium-sized enterprises
STC	Sub-regional Employment Committee (Flanders)
TANF	Temporary Assistance for Needy Families (US)
TIF	Tax incremental financing (US)
TOWES	Test of Workplace Essential Skills (Canada)
UPL	Educational Planning (Uddannelses Planlægning) (Denmark)
VDAB	Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding – Name
	of the Flemish Public Employment Service
VET	Vocational Education and Training
VESOC	Flemish Economic and Social Consultative Committee (Flanders)
VET	Vocational Education and Training
VEUD	Adult Vocational Education and Training
	(Voksenerhvervsuddannelse) (Denmark)
VEU-reform	
	(Denmark)
VUC	General Adult Education Centre (Voksenuddannelsescenter)
MIC	(Denmark)
VUS	Act on Educational Support for Adults (Voksenuddannelsesstøtte)
171711	(Denmark)
VVU	Further Adult Education (Videregående VoksenUddannelse)
WIA	(Denmark) Workforce Investment Act (US)
WLP	Workplace Learning Program
WRTP	Wisconsin Regional Training Partnership (US)
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From: Skills Upgrading New Policy Perspectives

Access the complete publication at: https://doi.org/10.1787/9789264012516-en

# Please cite this chapter as:

Nørholm, Mette (2006), "Education and Training for the Low-skilled in Denmark: Linking Public Policy to Workplace Needs and Practice", in OECD, *Skills Upgrading: New Policy Perspectives*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/9789264012516-5-en

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