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A comparative perspective on training in Europe: French companies hit a glass ceiling

Since 2005, European companies' training effort has been growing and practices have been diversifying. French companies, which were initially among those providing the most training, have shown great stability over time, having for the most part retained a model based on classroom-based training. The act on "The Freedom to Choose One's Professional Future" (la loi Avenir professionnel), which has given companies an opportunity to introduce new practices, could make it easier for employees to maintain their competencies in adverse economic conditions.



CVTS SURVEY
INTERNATIONAL
COMPARISON
CVT IN COMPANIE
CVT POLICY
EUROPEAN UNION
EUROPE

Since the adoption of the Lisbon Strategy in 2000, followed by that of the Europe 2020 Strategy in 2010, continuing training for employees has been regarded as a major challenge for the knowledge economy within the EU. It is intended to contribute to economic growth and to increased competitiveness, accompanied by an improvement in both the volume and quality of jobs and greater social cohesion. The responsibilities and costs are shared in each member state between companies, individuals, the public authorities and the social partners. Although companies have not been allotted any precise targets for providing in-work training for their employees*, such provision is nonetheless recognised as essential and is the object of a European regulation obliging member states to collect data from companies every five years**. Thus policy making and monitoring of the progress made by the various countries in this regard are based on indicators that are comparable in both space and time constructed on the basis of the Continuing Vocational Training Surveys (CVTS, cf. Box 3). Data from the last three waves of this survey (2005, 2010 and 2015) can be used to analyse the way in which companies have developed their effort in this area.

At a time when France has, as recently as 2018, launched a reform of vocational reform with a view to encouraging companies to make significant changes to their training practices, what lessons can be drawn from the comparative evolution of European companies' training practices since 2005? How are French companies behaving compared with their neighbours? In order to reveal the French specificities, a typological analysis of the characteristics of EU member states has been carried out. Its aim was to

identify the similarities and differences between the various countries using indicators describing companies' investment in training, the intensity thereof and, above all, how it evolved between 2005 and 2015. It was not intended as a means of interpreting the institutional differences between the various European continuing vocational training systems, which are well known to be significant.

Since 2005, European companies have become increasingly involved in training

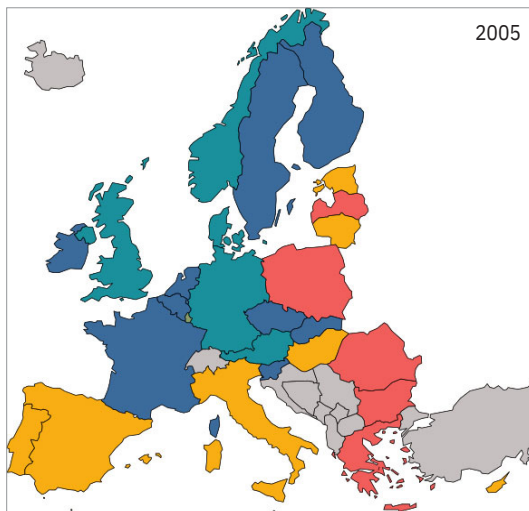
In a variety of institutional forms, European companies are making increasing use of training, as illustrated by the rise in the share of companies providing training. In 2015, 73% of companies in the 28 EU member states organised training events for at least one member of their workforce, compared with only 60% in 2005. In 2015, the highest share of companies providing training was found in Lithuania and Norway (99%) and the lowest in Greece (22%). France was in the upper part of the range (79% of companies provided training). In 2015, Greece and Romania were the only two countries in which companies provided little in the way of training for their employees (in red on the maps, cf. Box 1). The share of employees receiving training in those countries was only 20%. Although it remained at a moderate level, the involvement of Bulgarian and Polish companies was rising at the end of the observation period, with rates of access to training of the order of 30% (in yellow on the maps, cf. Box 1).

From 2010 onwards, Belgium and Luxembourg stand out by virtue of the high level of their companies' involvement in training (in green on the maps), which was rising significantly compared with the earlier

* The only quantitative target fixed by the Europe Strategy 2020 in respect of training concerns lifelong learning for adults: "Between now and 2020, 15% of 15 to 64 year olds should take part in education and training activities" (source: LFS).

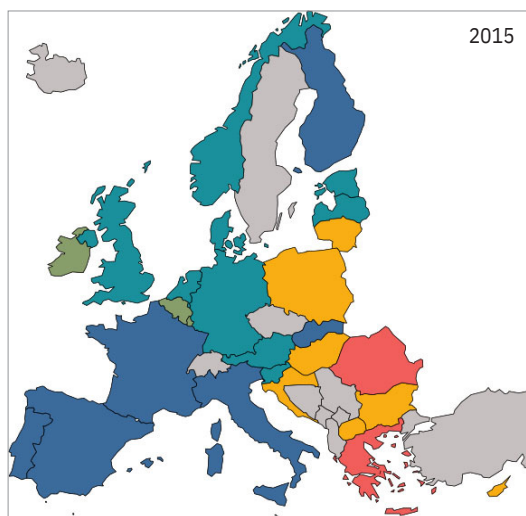
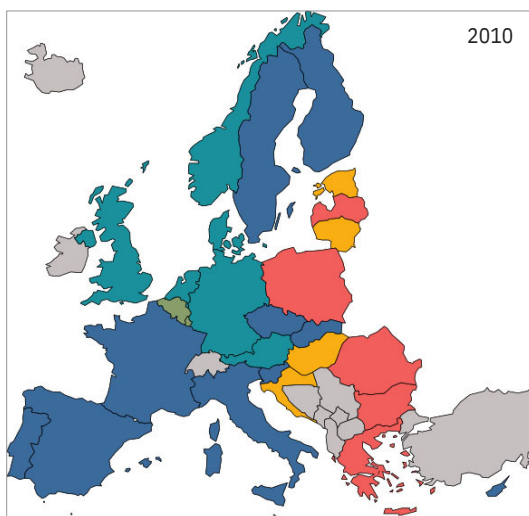


1 Evolution of training practices in Europe in 2005, 2010 and 2015



- Very high level of company involvement, notably through the intensive use of on-the-job training and apprenticeships
- Very high level of company involvement, notably in terms of the number of employees given training and the number of hours' training completed
- High level of company involvement in continuing training, more specifically in the form of classroom-based training programmes
- Moderate level of company involvement in continuing training for all 5 indicators
- Low level of company involvement in continuing training for all 5 indicators
- Data not available

An ascending hierarchical classification was constructed on the basis of five indicators: the share of companies providing training regardless of the mode of training in question, the share of companies providing training other than CVT courses, the share of employees having access to CVT courses, the number of hours of CVT courses per employee and the share of companies recruiting apprentices. On this basis, five types were characterised depending on the degree of company involvement in continuing vocational training as well as the importance they give to certain modes of training (types represented in turquoise, green and blue). The country-year pairs were then regrouped by year, thereby making it possible to track the evolution specific to each of the countries.



Sources: Eurostat data, CVTS3, CVTS4 and CVTS5.
Design: Céreq.

For the detail of the indicators:
https://ec.europa.eu/eurostat/data/database?p_p_id=NavTreeportletprod_WAR_NavTreeportletprod_INSTANCE_nPqeVbPXRmWQ&p_p_lifecycle=0&p_p_state=normal&p_p_mode=view&p_col_id=column-2&p_col_pos=2&p_col_count=3

**** Regulation (EC) No 1552/2005 of the European Parliament and of the Council of 7 September 2005 on statistics relating to vocational training in enterprises.**

***** Italian companies may pay into an interprofessional fund (there are 19 active funds at the moment) depending on their sector of activity, the type of contract offered to employees and the forms of training provided. This triggered stiff competition between the funds, which led to polarisation, with 3 funds covering 50% of the market. In 2016, almost one million companies were paying into a fund (71%) and slightly fewer than 10 million employees were covered (slightly more than half of all private-sector employees).**

data. The share of employees receiving training was the highest in Europe (54% and 62% respectively in 2015); the average number of hours of training courses was also the highest, at more than 35 hours per participant. It is also in these two countries that the differences between small and large companies were least marked. Thus this continuous increase in the average level of training provided by companies across Europe conceals different dynamics that raise questions about the links between companies' training practices and the economic and institutional contexts. These dynamics attest in part to the diversity of national configurations, in which the vocational training systems are located at the point at which the issues facing public policies and a range of different actors (including the education system, labour market, institutions and public authorities involved in the organisation of vocational training and industrial relations) intersect.

The great stability of French companies

In 2005, French companies were among those in Europe that were most involved in training their employees. Their involvement had increased continuously since the 1971 Act and had plateaued by the beginning of the 1990s. Despite a series of reforms,

notably from 2004 onwards and the Act on Lifelong Vocational Training, the indicators of French companies' training effort, such as the share of companies providing training (74% in 2005, 79% in 2015) or the average number of hours of training provided per employee (12.8 hours in 2005, 12.4 hours in 2015), remained little changed between 2005 and 2015. With almost 50% of employees taking part in at least one training event each year and an average length of training courses of the order of 25 hours, France remained at or around the European average for these indicators, with training used principally to enable employees to adapt to a new job.

While French companies are fairly heavily and regularly involved in workforce training through the organisation of training courses (dark blue on the map), they make less use of other forms of training (lectures, seminars, job rotation and on-the-job training) and recruit fewer apprentices than those in other European countries. From this point of view, Finland has a trajectory comparable to that of France, with Finnish companies' level of involvement in training remaining very stable between 2005 and 2015. However, while these two countries' indicators and their evolution are similar, the paths taken and the objectives allotted to in-com-

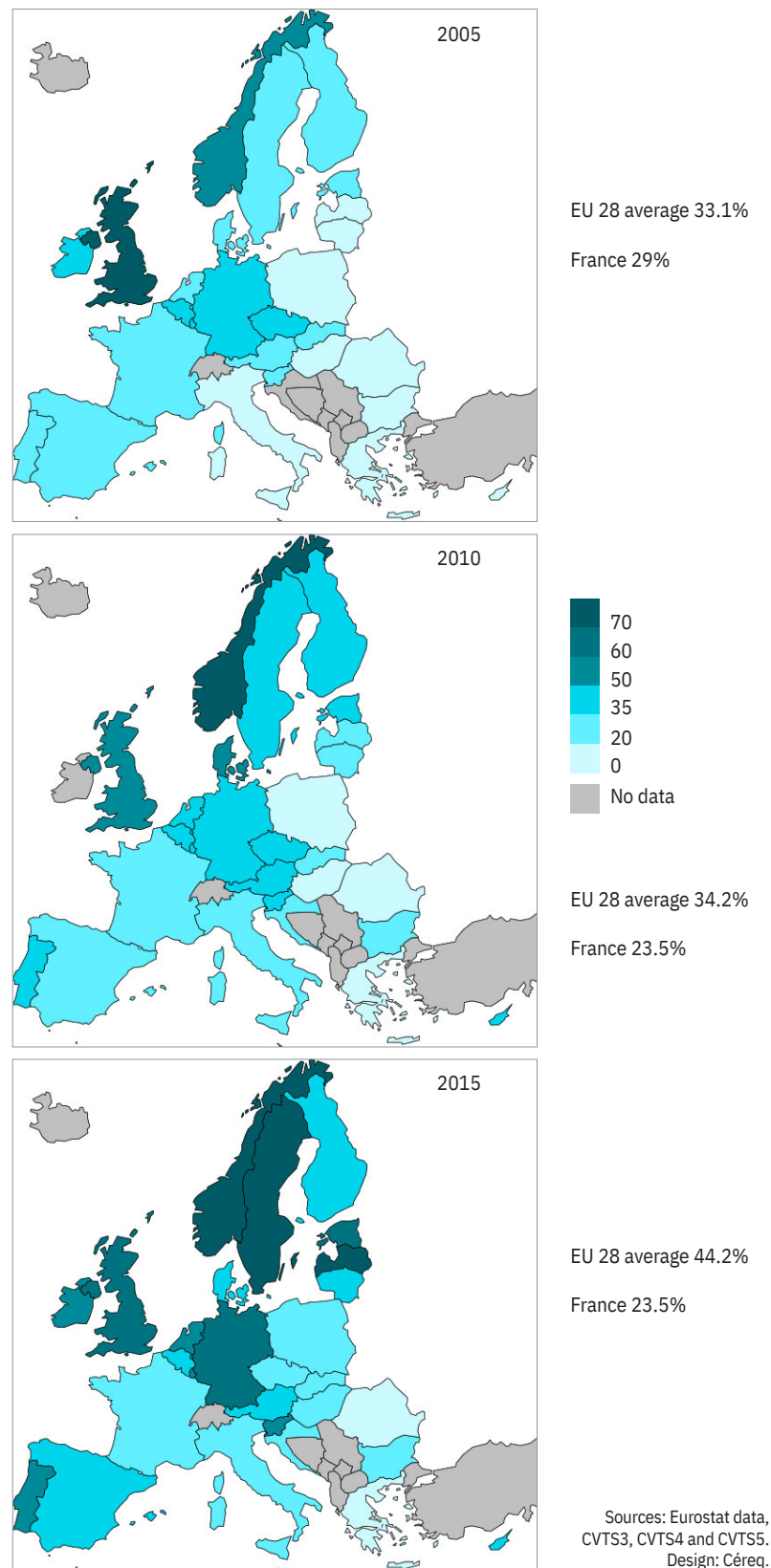
pany training differ significantly. In France over this period, the public authorities emphasised the development of continuing vocational training as a means of raising company performance and securing individual trajectories, notably those of employees in small firms and the least well qualified. In Finland, on the other hand, training was used mainly to deal with the ageing of the working population, with corporate restructuring and with redundancies. In 2018, the two countries embarked on a reform of their training systems, encouraging individuals to construct their own futures at work by offering more flexible and individualised training pathways. Another feature shared by the two countries is that measures have been taken to expand on-the-job training within companies.

When companies combine training and work to develop skills

Under the heading of lifelong training, the forms of training on offer in Europe have become increasingly diversified, with the development in particular of on-the-job training and training based on job rotation. Thus in 2005, 33% of European companies had made use of on-the-job training, a figure that had risen to 44% in 2015 (cf. maps Box 2). Over the same period, the share of French companies using that form of training remained stable. It is true that, to a greater extent than in other European countries, the French legislative and regulatory framework long favoured training courses. Nevertheless, since the 2018 Act on the Freedom to Choose One's Professional Future, which defines on-the-job training programmes as a separate form of training, France could in future become part of the European trend.

In this connection, a small number of countries stand out by virtue of companies that, from 2005 onwards, have not only been very heavily involved in CVT courses but have also promoted work to raise employees' skill levels (in turquoise on the maps). And in addition to providing numerous on-the-job training opportunities, they also make significant use of apprenticeships. The behaviour of German companies is emblematic of the way in which these companies use work as a basis for training: in 2015, 64% took on apprentices (55% in 2005) and 64% provided on-the-job training (48% in 2005). A study by Cedefop highlights the fact that Denmark, Germany and Austria are countries in which the emphasis has long been on the acquisition of practical knowledge, where young people in particular "learn by doing". In Denmark, for example, the Ny Mesterlære (New Apprenticeship) scheme, launched in 2010, even includes a whole year spent in a company without any theoretical training. In these three countries, the high level of coordination between employers and the social partners in order to ensure adequate flows of skilled labour and to encourage innovation and growth should be highlighted. Within this framework, companies play a central role in both the provision of teaching and the funding of initial vocational training. In Austria, for example, including in higher education, training programmes are, to a large extent,

2 Increase in on-the-job training in Europe since 2005



developed in cooperation with professionals in the field in question. University governing bodies often include among their members representatives of industry and public life. The governing bodies of the Fachhochschulen (universities of applied sciences) actively involve the social partners in accreditation.

3 The Continuing Vocational Training Survey

Céreq, in coordination with the French Ministry of Labour, is responsible for the French section of the Continuing Vocational Training Survey (CVTS) coordinated by Eurostat. CVTS is the object of a European regulation (No 1552/2005) that obliges member states to gather data every five years from companies with 10 employees or more in the market sector (principally). Data are collected on companies' investment in their employees' continuing vocational training and training actions financed fully or at least partly by companies. Its main purpose is to provide Eurostat with indicators that are comparable across Europe and over time. The 5th wave in 2015 was carried out by the 28 countries that were EU member states at the time, Norway and North Macedonia. The size of the CVTS-5 sample for the 24 countries whose data are available is approximately 111,000 companies (Belgium, Bulgaria, Czechia, Denmark, Germany, Estonia, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden, UK and Norway).

➔ Further reading

[1] *Les organisations du travail apprenantes : enjeux et défis pour la France*, France Stratégie, document de travail, n° 2020-03 avril.

[2] *The changing nature and role of vocational education and training in Europe. Vol. 1: conceptions of vocational education and training: an analytical framework*, Cedefop, Cedefop research paper, No 63, Luxembourg, Publications Office, 2017.

[3] *The changing nature and role of vocational education and training in Europe. Vol. 2: Results of a survey among European VET experts*, Cedefop, Cedefop research paper, No 64, Luxembourg, Publications Office, 2017.

[4] « La réforme française de la formation professionnelle vue d'Europe : des progrès, mais peut mieux faire ! », J.-L. Dayan, *Savoirs*, vol. 50, no. 2, 2019, p. 21-36.

[5] *Éducation et formation des adultes en Europe : élargir l'accès aux possibilités d'apprentissage. Rapport Eurydice*, Commission européenne/EACEA/Eurydice, Luxembourg, Office des publications de l'Union européenne, 2015.

A strong link between economic growth and the use of training

Companies' training effort evolves as the economic situation changes. In France, analysis of the long-run data derived from the 2483 tax declarations detailing companies' CVT contributions, has shown that companies provide less training when the economic situation deteriorates. This applies particularly to small companies. Whereas the training offer of companies with more than 50 employees remains stable, small companies are more sensitive to the business cycle. In 2015, only 45% of French companies with between 10 and 20 employees provided training every year. For the others, training needs are not systematic and regular but rather constitute a response to an economic dynamic. In other words, small firms have a more instrumental vision of training than larger ones. They provide training mainly when they judge that they need to do so.

In Spain, companies' use of training expanded from 2005 onwards against a background of strong economic growth, attesting to the connection between training and economic growth. Spanish companies gradually invested in employee training on a massive scale. Within ten years, they had finally caught up with the European companies that provide the most training. In 2005, 20% of Spanish companies restricted their training effort because they had difficulties evaluating their employees' needs; by 2015, only 4% were in that situation. This recent training dynamic can be explained by the high rate of economic growth during the period (compared with other countries) and by the incentives incorporated into a series of laws and agreements between the state and the social partners. Companies have to pay a training contribution of 0.7% of their labour costs (0.6% paid by the employer, 0.1% by employees) but at the same time can take advantage of incentivising mea-

asures whereby those that provide training for their employees can deduct the costs of that training from the contributions. Furthermore, the funds are pooled and then distributed to the benefit of smaller companies. Beyond the period under consideration, Spain has continued to reform its vocational training system. In 2015, the government introduced a right to 20 hours' training for any worker with at least one year's seniority and launched individual training accounts. The Spanish results can be interpreted in the light of the effects produced in France by the founding 1971 act, which made expenditure on training compulsory and accorded an important role to the social partners, resulting in an expansion of training by companies, which up to that point had been particularly low.

In Portugal too, training in companies was given fresh impetus by a far-reaching reform in 2005 that made it compulsory to provide 35 hours' training per year for each employee, the aim being to raise skill levels in the population as quickly as possible.

In Italy, companies' involvement in training has increased significantly since the creation of the so-called *fondi interprofessionali****, one of the important measures introduced by the 2000 reform. Italian companies can pay into the interprofessional fund of their choice depending on their sector of activity, the type of contract offered to their employees or the forms of training put in place.

In these various countries, the growth of companies' involvement in the training of their employees is largely a phenomenon confined to small and medium-sized enterprises. Following in the footsteps of larger companies, it is they that have brought about the most significant changes in training intensity and practices.

Against the background of the economic crisis that Europe faces following the COVID-19 pandemic, what will become of companies' investment in employee training? As France Stratégie [1] notes, "company performance will also depend on flexible forms of work organisation capable of rapidly optimising skill and knowledge management while at the same time developing the capabilities for continuing learning". Significantly increasing the importance attached to work-based training and to learning forms of work organisation is undoubtedly the path to be considered for companies that may well see a rapid decline in the budgets allocated to training. Such a proposition might turn out to be easier to implement in countries in which companies are already making extensive use of the opportunities work affords for training. Will the conjunction of the economic context and the new legislative framework encourage companies in France to diversify their modes of skill development?

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