

Vocational training for Retail /Wholesale:

an EU-Survey of 2010
Prof. Dr. Bernd Hallier

Prof. Dr. Bernd Hallier, the distinguished Member of the Editorial Board of “Holistic Marketing Management” Journal, attracted our attention on March 16, 2013 (“European Retail Academy” Site) with a new challenging book about “*Customer-Centric Marketing Strategies: Tools for Building Organizational Performance*” (released in November 2012), Authors Prof. Dr. R. Kaufmann and Prof. Dr. M. Panni. At pages 498-509 Prof. Dr. Bernd Hallier described necessary awareness-tools for customer-centric mass-distribution to avoid food-scandals like those ones just erupting again in Europe in February 2013. Prof. Dr. Bernd Hallier allowed us to present a very interesting European Union-Survey about Vocational Training for Retail and Wholesale.

Abstract:

Kicked by findings from scenarios for 2020 about the future change of quantitative and qualitative demands in labour force the EU initiated activities for the industrial sectors to explore ideas how to support change management and to build networks on the way towards European Sector Councils.

For retail /wholesale a survey was started to check within the 27 EU countries how

- they are prepared for the changes/they prepare the changes
- what the topics of the present and future vocational training are
- what kind of help is expected on national level or via the EU

The answers of the panellists are evaluated quantitatively and qualitatively – first conclusions are drawn by the.

Key words: Bologna-process, EU-Survey, retail, wholesale, SMEs, qualitative and quantitative demands in labour force, skills, knowledge, vocational training, life-long-learning, cross-border certificates, change management.

JEL classification: A20, I21, L81

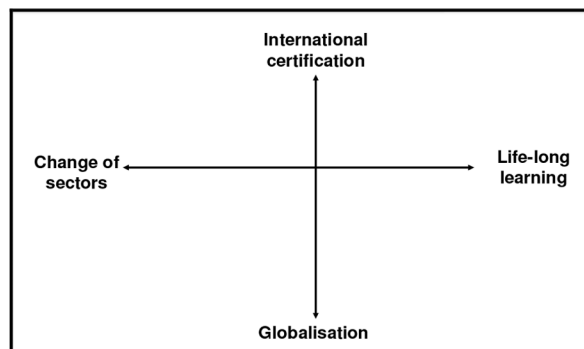
1. Introduction for the Need of a Survey

For the first time the EU initiated a survey to cover the status quo and predictions for vocational training and new skills for retail/wholesale. The driving force was a scenario about factors to determine the working population in future. (VC/2007/0866)

Results of that study had been:

- An aging population in many countries of the core EU which will lead to a fight for young people
- Shifts of job-opportunities from one sector to another sector

As one of the solutions due to those permanent changes is seen the necessity for life-long-learning-learning. A fourth factor in the labour-scenarios for reaction by the education system is globalization which leads to cross-border work-forces and the need for international qualifications/certificates



Pic. 1 Magic square for labour and education

While at the academic level the “Bologna-Process” was initiated where internationally study-courses are evaluated and credited to become part of globally accepted standards like the BA-degree, MA-or PhD-degree –in the sector of Vocational Training there is no system like that yet. At the level of vocational training there are until now in many countries only atomistic, not-harmonized structures. There is until now for example in the EU no full insight into:

- What content is offered in the individual countries
- If there is agreement within the social partners (employers/employees) if vocational training should be paid individually or by companies or by government
- What do social partners expect from their national government in this respect
- What could/should be promoted by EU-institutions
- If national Round Tables could be linked to become an international network

For the sector of retail/wholesale the EU initiated the project VS 2009/00532 to create awareness for those questions and to explore ways of networking to establish a sector-council.

Recipients of the EU-research-budget became together as project partners the employer’s Brussels-office EuroCommerce and the employee’s Brussels-trade union headquarter Uni Global. Scientific support came by the European Retail Academy. The Steering Committee formed by these three organizations decided

- to run three “hearings” across the EU-territory ; one in Vienna for Central and Eastern Europe, one in Helsinki for Scandinavia and the Baltics and one in Athens for the countries of the Mediterranean. All three regional meetings had the same agenda – four blocks concerning the questions:
 - What was the past and is the present task of Vocational Training?
 - What are the future challenges of Vocational Training?
 - What can be helped by national organizations?
 - What can be helped by EU-institutions?
- to send out questionnaires with more detailed questions to specify the subject additionally to stakeholders not being able to attend the meeting. As stakeholders are defined retailers, trade unions/government organizations and vocational training institutions (private and public ones).

The ambition of the “Hearings” was:

- gathering experiences of existing sectoral observatories, skills councils and similar bodies
- optimizing skills and requested projects
- looking for potential National Competence Centers to help implementing adequate training policies for the sector
- gathering comparable data and methodologies for anticipating future management skills

2. Quantitative and Qualitative Responses

The share of returned questionnaires split into stakeholders categories are :

- 57% retailers
- 26% vocational training
- 17% trade unions

Having as an absolute number 70 this can be interpreted only as case-study or a “test-trial”; because the absolute basis is too small for mathematic correlation – or regression analysis .

The situation even worsens by check of the countries; out of 27 EU-countries

- 4 did not reply at all
- 12 did send in only 1 answer
- 7 did send in more than 3 answers

Nevertheless it is the first case-study with opinions of 70 experts of human resources in retail/wholesale. At this stage at least one can analyse what this panel has in common.

2.1. The present situation

Having a scale of 1 (unimportant) to 5 (important) the biggest need for training was seen in the category for

- the store (5)
- the region (4)
- the national level (5)
- the international level (4)

At the contemporary training the focus is at

- market trends (5)
- competition at store level (5)
- new players/formats (4)

As the focus for future training the ranking is

- languages (4)
- IT knowledge (5)
- Social skills (5)
- Intercultural skills (4)

Of all factors in absolute numbers “social skills” got the highest number of points. This can be interpreted as

- In retail/wholesale “social skills” are a profile for this sector
- Or it might also be an indication that “success” is linked generally highly with “social skills”

Those panellists dealing with the subject of Life-Long-Learning generally work together (within a special relationships) with universities or universities of applied sciences. But there seems nowhere to exist a national roll-out of a Life-Long-Learning scheme.

Special activities for the following target-groups claim to have in absolute numbers:

- career planning - 59
- young people - 54
- re-training - 50
- integration of immigrants - 32
- training for foreign markets - 29

2.2. Special Needs for SMEs

As a special subject of the interrogation were the small and medium-sized enterprises (SMEs). Sent out as an open question “What special need is there for SME”? among the answers returned were results like “They need to have a good marketing plan” – which is a

surprise (!) for an expert hearing. In a Peer Review therefore firstly the returned answers were categorized into:

- a) not SME specific
- b) generally true for SME
- c) specifically mentioned for inside the country
- d) specifically mentioned in relation to foreign markets

As not SME specific were identified:

- having competitive production-/sales costs
- knowledge of the market, competitors price
- investment in research and development
- multi-channel marketing
- gaining information about foreign markets (products/distribution/laws)
- need to have a good marketing plan

Generally true for SME are the following problems:

- increasing critical-mass to develop special offers to SME-Vocational Training
- pooling resources with other SMEs
- cross-company/-field cooperation of experts for training (laws/international trade issues)
- cross-company vocational training
- to be open to work and form mergers with companies from other countries
- small units of modernized learning
- e-learning solutions specifically tailored to SME-needs
- tailor-made-on-the-job trainings
- solving lack of time for Vocational Training
- solving lack of money for Vocational Training
- low barrier government
- easier access to finances
- intensive knowledge of supply-chain-management (not only having the focus on a product)
- good relations to suppliers in terms of quantity delivered and pricing
- permanent staff-and leadership-training
- talent management, management, leadership
- fixing staff to the company

For the home-market of the SME the following points might get a special focus:

- quick awareness for new trends
- good IT-knowledge
- broader competences of processes
- customer-orientation, good counselling service
- qualified employees, emphasis on craft: cook, butcher, baker, etc.
- improvement of image
- being with attractive Homepage in the internet
- creating brand image

For gaining market shares abroad the following points have to be strengthened according to the opinion of the experts:

- market-knowledge about foreign market
- skills to analyse foreign market-data
- knowledge of foreign trade (customs etc.)
- more product knowledge to sell to foreign market
- good internet-presentation
- languages
- intercultural knowledge
- social partnerships

2.3. Round Table content

The next part of the questionnaire was dealing with the content of the experts during the last years and the expected topics. Defining the last “five innovative steps” there is a broad range of differentiation between new countries and the “old core” – EU. Activities mentioned are:

- identification of need for qualification
- defining job-descriptions
- modernizing job-descriptions
- responsibility for qualification development
- institution building within the education sector
- national data-base for all adult education programmes
- new methods of education
- education audit
- new technologies
- information posters
- creating potential supply of special skills and leadership
- cross-company vocational training
- free time for training and education
- 20-30 minutes training during the day
- Linking basic vocational training with life-long-learning
- Internship in companies
- Finance of scholarships
- Increase of geographical mobility of learners/apprentices and teachers/trainees

The gap between the “old EU” and the “newcomers” is also reflected concerning the new skill challenges in the future – but answers mirror also a conflict between social partners:

- Early and better qualification of the employee by the employer
- Decreasing stress at workplace
- Additional training for first aid and job safety
- Social management
- More sustainable trainings
- More trainings by independent companies
- Training connected to the promotion-process
- Open systems for life-long-learning
- More involvement at the secondary school level
- Shorten period between learning (at school/university) and doing (in the job)

- Tax incentives for scholarships and workers' additional training
- Keeping the interest of employees to stay within the company
- E-learning/blended learning
- National frame to define exactly the levels of vocational trainings
- International frameworks for comparison and evaluation of national education offers

Evaluating the present penetration of e-learning/blended learning in the Vocational Training more than 72 percent gave 3 points or less at the scale from 1 to 5. A big future demand can be derived from this result

Very controversial is the answer to the question if there is within each country a national coordination for vocational training in retail/wholesale. Taken the answers from the panellists there are 38 claiming that there is a Round Table/Coordination – 32 do not see it. But even within the pro-fraction the panellists are sometimes divided about which institution is responsible!

This view of controversy can be stressed also from the return of questionnaires by the basis of countries. Among those sending only 1 answer several ones claimed “to have/to be” the Round Table for retail education – but either they did not want or they simply could not organize a second or third questionnaire.

Asked for advice who should be involved in national Round Tables for retail/wholesale the proposals range from:

- Federal Education Ministries (some mention additionally the Economics Ministry)
- Governmental special agencies
- Trade Unions
- Employers Associations (sometimes the specific merchants one)
- Wish for Tripartite Round Table: government, employers, employees
- Social partners and Vocational Training-providers
- Human Resources-managers from multinational retail/wholesale companies
- Chamber of Commerce/British Council
- Universities /Universities of Applied Sciences
- Consultants for PR

To promote the sector-image generally to get enough human resources for retail is still not really developed – it is more seen as recruitment from the individual companies; but there are also encouraging examples in some countries.

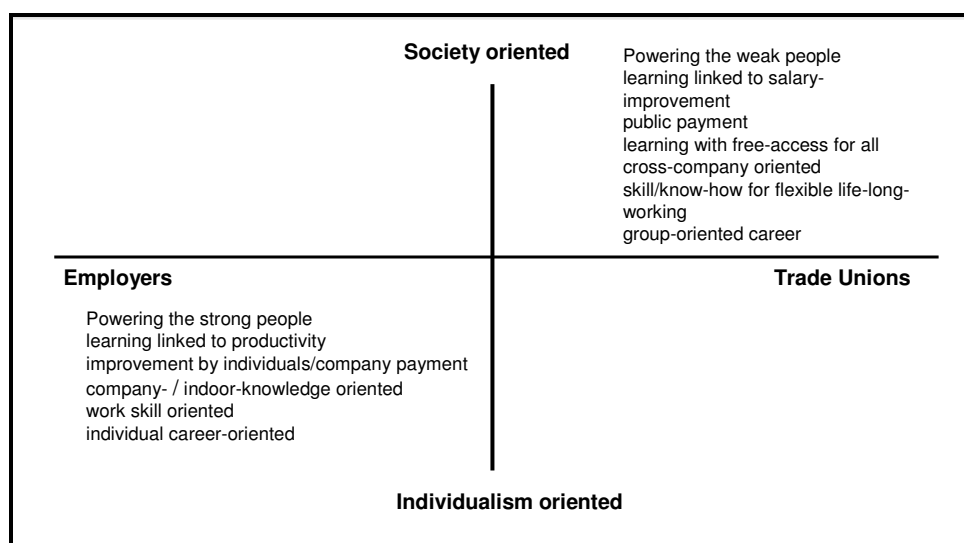
- Company information
- Contact to schools
- Internal and external personal marketing (cooperation with schools, PR, trade shows)
- Fairs/exhibitions
- Advertising/sponsoring
- Corporate Social Responsibility/Best Practices
- Web-Platforms for apprentices/Sweden: www.karriarihandeln.se
- Supporting skills competitions/Estonia: competition between VOT-school-students
- Awards for professional qualifications
- Partnership between social partners to develop/maintain qualifications
- Code of Ethics (Poland)
- “Human Capital Management” (Netherlands)
- Initiating specific bachelor programs at University Colleges

- Denmark: Retail Academy supported by EU Social Fund

The answers to the question of “how to improve comparability” in general and to the question of potential “improvement by cooperation within the EU” are overlapping and put therefore into one list:

- Description of competences
- Creating more transparency of qualifications
- Clearly defined targets of training
- Creating an international data-base about educational programs
- Linking also skills to knowledge
- More research about Vocational Training-programs
- Identifying and anticipating skill needs
- Promoting awareness for best practical cases/training possibilities
- Sector knowledge center/disseminating best practice
- Agreement on qualification standards and quality standards (like EQF, EQARF)
- Creating an evaluation council as an independent body
- Clear definition/targeting for whom EU-comparability is needed
- Certificates like EuroPass
- Practices via mobility of learners and other groups
- Pushing feedback from other countries/exchange experience
- International sector coordination/supporting national systems to be transformed to EU-standard
- Supporting web-pages available in various languages
- Supporting to learn foreign languages
- Supporting sustainable exchange of information and experience
- Financial incentives/support

While quite often there is agreement about the content mainly the Vienna-and the Athens-Hearings showed orientation conflicts between the Social Partners.



Pic. 2 Orientation conflicts between the Social Partners

Employers tend to promote individuals who show certain strength – they are powered for leadership within the company with indoor-knowledge. Trade Unions tend to promote cross-company knowledge paid by the public to improve the situation of weaker employees. A quote for the engagement for such fraction-groups came in Vienna by Dr. Dwora Stein: “Vocational Training has to be benchmarked if it helps women to improve their social conditions.”

In all three Hearings the productivity improvement as a win - or the career-improvement in salary terms as a win was discussed; what was missed by the author of this paper was to see education per se as an improvement of the personality as an own value. Cynically as a conclusion it can be stated: “ If education has no monetary return on investment – then people (also from the educational level) seem to prefer to remain stupid!”

Concerning the qualifications frameworks to be known/to work with – the absolute ranking is

- EQF (European Qualifications Framework) - 32
- NQF (National Qualifications Framework) - 31
- ECVET (European Credit System for Vocational Education and Training) - 25
- EQARF (European Quality Assurance Reference Framework) - 17

3.0 Evaluation of the Survey

In the end of 2010 this case-study gives room for some conclusions about the sector of Vocational Training for retail and wholesale in the EU. One of the main conclusions is that the case study has to be enlarged by building national Round Tables especially in the new EU-member states. Such an activity could improve the awareness for life-long-learning and for new education technologies.

Based on the data collected uptill the end of 2010 the following 20 conclusions are drawn:

Conclusion 1: It was the first effort of the Social Dialogue to transform three regional conferences into “structured hearings” – not teaching what has to be done, but listening to those in business what they actually do

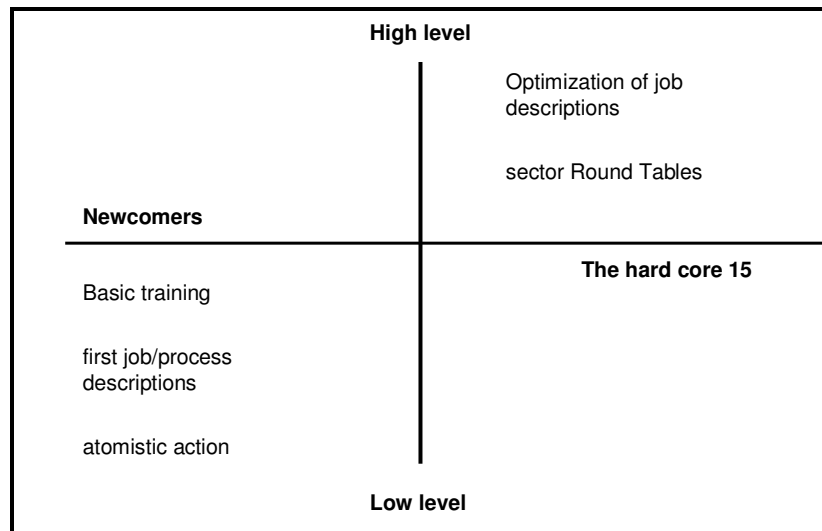
Conclusion 2: To use a questionnaire as a conference-structure and to send out that questionnaire to additional recipients enabled the first survey (even it is has only the character of a case-study/pre-study) of vocational training in this sector

Conclusion 3: The “hearings”, the answers of the questionnaire, the final conference, the final report – plus interviews or this paper for an academic publication – have all created an “awareness-package”

Conclusion 4: Interculturally many stakeholders did meet for the first time at the hearings– it could be the beginning of a sustainable exchange of experience

Conclusion 5: The complexity of the sector became transparent; there is a view of the retailers, the trade unions, the administrations, the private or semi-private training institutions. But even within retail there are many different formats or organizational schemes which follow own rules.

Conclusion 6: A problem of complexity is also the national historic development between the former EU15 and today's EU 27. Simplified in a chart some countries still work on the basic level while others deal with advanced problems.

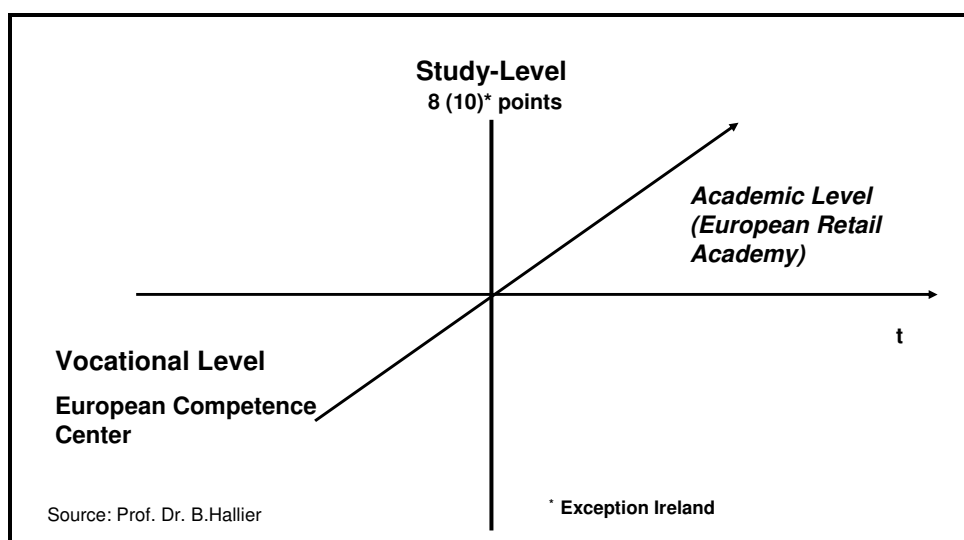


Pic. 3 : Challenges of EU 15 versus newcomers

Conclusion 7: As problems are still very different they could be solved perhaps better by accepting the principle of national or even regional subsidiarity – nevertheless including them into benchmarking of Vocational Training

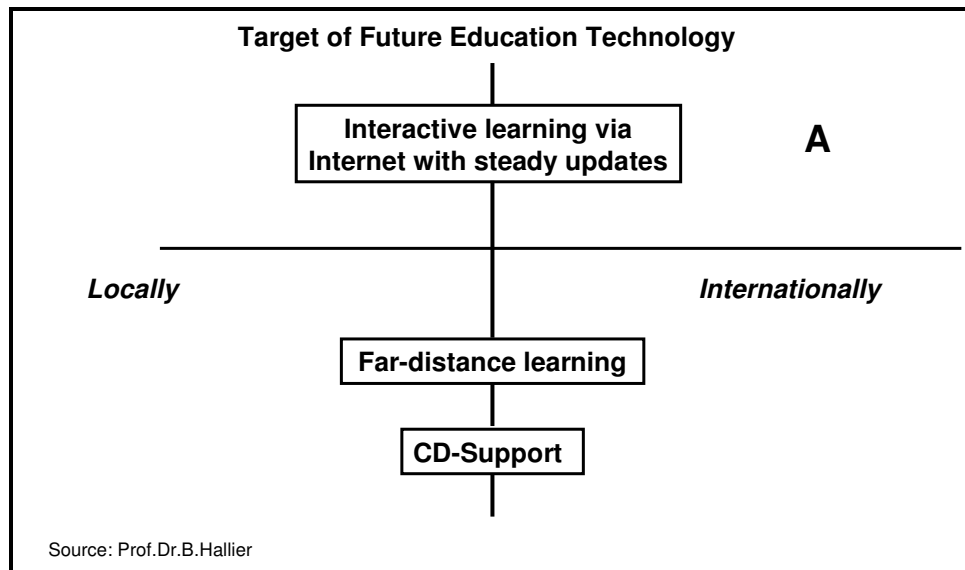
Conclusion 8: Already the present-data could be used by all stakeholders to benchmark the present situation and the views about the future skills, competences and organizations.

Conclusion 9: To promote Life-Long-Learning the academic education and the vocational training have to be linked



Pic. 4 Life-Long-Learning

Conclusion 10: Life-Long-Learning will be promoted by the future education technology which goes the way from class-room, blended-learning to interactive learning via internet.



Pic. 5 Target of Future Education Technology

Conclusion 11: When already in 2010 the biggest communities of the world are China, India, Facebook and the USA – then the speed of social communities without national boundaries become obvious.

Conclusion 12: The best retailers will learn from the best retailers worldwide – the best training programs will be loaded down worldwide.

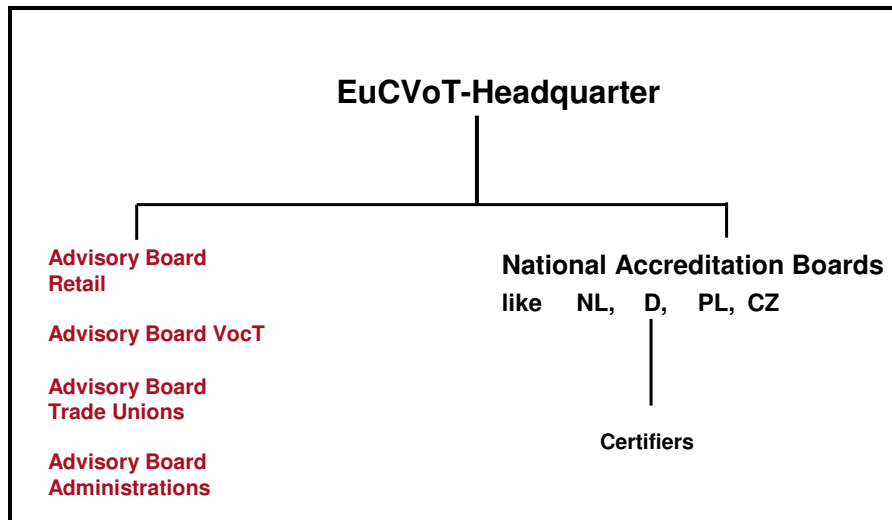
Conclusion 13: Only partly in future students will learn from professors – partly professors will learn from students – mainly students will learn from students

Conclusions 14: Therefore also a potential Sector Council in 2020 will be more a Web 3 – online/Nano Generation: building communication together in life-time online instead of a prestigious meeting of some elected representatives speaking in a Building in Brussels for a whole sector.

Conclusion 15: The bodies of virtual Sector Councils could be much more democratic, being enlarged within nano-seconds by experts helping in complex questions.

Conclusion 16: Nevertheless within national schemes or for international cross-border exchanges an evaluation of programs like for the EuroPass is necessary.

Conclusion 17: Therefore National Accreditation Boards have to evaluate vocational training in the same way like the Bologna-process enforced an evaluation and accreditation for the academic sector.



Pic. 6 Potential structure of an European Competence Center for Vocational Training for Retail/Wholesale

Conclusion 18: The EU can help to push technology innovation in the education sector: this helps employees, employers, vocational training institutions - but also the competitiveness macro-economically

Conclusion 19: The EU should promote at the present time still conferences as only face-to-face meetings will pave the way to trust in a future virtual community.

Conclusion 20: The EU should promote an Annual Conference with an Award-Ceremony to get gain bigger media-awareness for the education sector

Léon F. WEGNEZ, the distinguished Member of the Editorial Board of our “Holistic Marketing Management” Journal, was awarded the prestigious title of *Doctor Honoris Causa* of the National School of Political Science and Public Administration (SNSPA), Bucharest. The award ceremony took place on February 15, 2013, at “Château Sainte-Anne”, Brussels, the headquarters of Diplomatic Club of Belgium. The prestigious *National School of Political Science and Public Administration (SNSPA), Bucharest*, has organized and conducted, in cooperation with the *Diplomatic Club of Belgium, Brussels*, a memorable *Doctor Honoris Causa* award ceremony. Before the award ceremony, His Excellency, Mr. Ambassador Daniel LEROY, the President of the Diplomatic Club of Belgium, delivered the welcome address (<http://holisticmarketingmanagement.ro/the-honorable-leon-f-wegnez-was-awarded-the-prestigious-title-of-doctor-honoris-causa-of-the-national-school-of-political-science-and-public-administration-snspace-bucharest-romania/>).

Discours du Professeur Léon F. WEGNEZ
pour la cérémonie de Doctorat Honoris Causa
de l'Ecole Nationale d'Etudes Politiques et Administratives
Université d'Etat de Roumanie, à Bucarest

Monsieur le Recteur de l'Ecole Nationale d'Etudes Politiques et Administratives,

Mesdames et Messieurs les Professeurs,

Mesdames et Messieurs,

Chers Etudiants,

Je suis très sensible à l'honneur qui m'est fait par votre Université et je suis particulièrement heureux de pouvoir partager avec vous quelques réflexions à l'occasion de cette cérémonie de Doctorat Honoris Causa de votre prestigieuse Ecole Nationale d'Etudes Politiques et Administratives, de Bucarest, très réputée Université d'Etat de Roumanie

Je voudrais vous entretenir, brièvement, de trois questions qui, me semble-t-il, méritent une attention toute particulière dans le contexte économique et politique actuel.

Ces trois questions nous interpellent, parce qu'elles s'inscrivent dans le cadre des profonds changements qui affectent notre vie en société, notre environnement de travail, nos relations humaines et les relations entre les Etats dont nous faisons partie.

La première se rapporte à l'évolution fondamentale de la fonction de dirigeant.