

# **GOOD PRACTICE**

## **QUALIFICATION NETWORKS**



This project has received funding from the European Union.



REPUBLIKA SLOVENIJA  
MINISTRSTVO ZA DELO, DRUŽINO,  
SOCIALNE ZADEVE IN ENAKE MOŽNOSTI

This project is co-financed by Ministry of Labour,  
Family, Social Affairs and Equal Opportunities

Title
<p><b>QUALIFICATION NETWORKS</b></p> <p>Network of at least 5 companies, aimed at collaborating in the planning and implementation of qualification measures for employees based on current demand, and providing skills which are usable across company boundaries.</p>
Location / geographic coverage
<p>Aid for qualification networks is offered by the Public Employment Service throughout Austria. Qualification networks can be established anywhere within the state. The implementation within the Federal State of Styria is described here in detail.</p>
Summary
<p>The qualification counselling financed by the Public Employment Service (AMS) and the European Social Fund (ESF) supports the establishment of qualification networks. The objective of this free counselling is to intensify the exchange of experiences between the companies, to facilitate the implementation of life cycle-oriented further education measures and to secure the employment of employees.</p> <p>A qualification network is therefore a network of several companies aimed at collaborating in the planning and implementation of qualification measures for the employees with a particular focus on the “productive ageing” approach.</p>
Type of the good practice
<p>The qualification counselling for the establishment of qualification networks financed by the AMS and the ESF can be classified as a facilitation instrument for companies deployed by the AMS on a national level and implemented within the individual federal states.</p>
Stakeholders and partners
<p><u>1.) Targeted companies</u></p> <p>The target group for the establishment of qualification networks includes companies and organisations established in Styria. The provisions established by the funding agency determine the mix of participating companies.</p> <p><b>Prerequisites for the establishment of qualification networks</b></p> <ul style="list-style-type: none"> <li>• Network of at least <b>5 companies</b> within a region or industry</li> <li>• At least <b>50 %</b> of the participating companies must be <b>SMEs</b></li> <li>• Consideration of the <b>qualification needs</b> of the participating network companies</li> <li>• Preparation of a <b>productive ageing concept</b> including measures</li> <li>• Preparation of a <b>network concept</b> and establishment of <b>network bylaws</b></li> <li>• Establishment of a <b>network management</b></li> <li>• Companies participating in the network may not have received more than 200,000 euros in <i>de minimis</i> aid during the past 3 tax years.</li> </ul> <p>Public authorities are not eligible for aid.</p>

## 2.) Targeted employees

Within a qualification network, there is the possibility of receiving aid to cover the qualification costs, as well as in some cases the labour costs for women and men who have an employment contract subject to full compulsory insurance or who are currently on maternity leave. The target group can be controlled based on the amount of aid granted.

Reimbursement rates by target group

70% Women and men above the age of 50 + 60 % labour cost aid

60% Women and men between 45 and 50 years of age + 60 % labour cost aid

60% Women below the age of 45, irrespective of their training / Men below the age of 45, with an apprenticeship or middle school as highest qualification / Re-entrants below the age of 45

Funding agency: Public Employment Service Styria, Department "Service for companies", as well as funds from the ESF

Implementation: The start-up consulting services and supervision of qualification networks was awarded to two external consulting institutions.

- bit management GmbH
- move-ment

### **Issue / challenge and goals / assumptions**

Our society's age pyramid clearly points towards ageing. For a considerable amount of time, politicians have been thinking about how it might be possible to keep people in employment up to a higher age. For companies, it is becoming more and more challenging to keep their know-how up-to-date and to pass it on.

Labour market policy objectives

- To adjust the working capacity of older employees to the qualification-related requirements
- To promote a permanent participation of (older) women in the labour market
- To promote employees with lower qualifications
- To enhance the flexibility of (older) employees
- To provide incentives for an increased participation in further education measures
- To promote the re-entry of employees into the workforce
- To reduce bottlenecks with regard to qualified personnel

with a particular attention to:

- supporting an active and productive ageing
- combating the segmentation of the labour market
- handling the continued economic change

through qualification measures for employees of companies.

### **How does it work?**

How does a network work?

1. Companies with further education needs report to the AMS or are acquired by the consulting institutions. The consulting institutions look for other companies within the same industry or the same region (minimum of 5 companies, mixture of large corporations and SMEs).

2. Information Workshop  
All interested companies meet for the first time and are made familiar with the objectives and conditions of the aid programme.
3. Establishment workshop  
All companies sign an agreement that they intend to collaborate on a life cycle-oriented training programme.
4. Productive ageing workshop  
The demographic development and accordingly relevant training measures are discussed.
5. Planning workshop  
The educational plan is discussed in detail and set for a duration of 6 months.
6. Selection workshop  
The companies decide who is to be their training service provider.
7. Training phase  
The training is carried out (6 months).
8. Final workshop  
The companies can provide feedback regarding the network process and training measures implemented.

## Results

Figures and data since introduction of the project in October 2007

Networks:	190
Companies:	~ 1,700
Training courses:	~ 3,450
Participants:	~ 35,900
Training budget:	~ 10,500,000.00 €
Funding amount (~ 60%):	~ 6,300,000.00 €

Industries of the participating companies: metal; tourism and gastronomy; retail; social sector; automotive; energy; food; transport

Benefits for the companies:

- Increased competitiveness through well-trained and motivated employees
- Reduced training costs due to financial aid by AMS and ESF (training and in some cases personnel costs)
- Demand-oriented training courses
- Training location within the region
- Training dates based on companies' preferences
- Consulting and support by bit/move-ment consultants financed by AMS and ESF

## Evaluation

Problematic issues / challenges for companies

- Collaboration of different types of companies (large corporations and SMEs, as well as different industries)
- Agreement on dates
- Willingness to compromise

<ul style="list-style-type: none"> <li>• Mutual trust</li> <li>• Predictability of employee deployments over 6 months</li> <li>• Documentation effort for financial aid</li> <li>• Own freedom of choice is limited for the companies.</li> </ul>
<b>Lessons learned</b>
<p>The qualification networks are an example for a successful exchange of experiences between companies, but also for their collaboration with the AMS and the individual training service providers. During the planning workshops and the selection workshops, educational plans are discussed in detail, and training service providers are selected. Here, a transfer of the concrete requirements of the participating companies is achieved. This information can then be used for strategic decisions of labour market participants and education service providers.</p>
<b>Sustainability and transferability</b>
<p>Qualification networks have received financial aid since 2007, and this is an important and successful component of the aid programmes offered to companies by the Public Employment Service. Because of this, it can be seen as very likely that this offering will be continued for many years.</p>
<b>Contact details</b>
<p>Name of organisation: Public Employment Service Styria  Contact person: Mag.a Karin Fuchs  Postal address: 8020 Graz, Babenbergerstraße 33  e-mail address: <a href="mailto:karin.fuchs@ams.at">karin.fuchs@ams.at</a>  web site: <a href="http://www.ams.at/stmk/sfu/14094_15026.html">http://www.ams.at/stmk/sfu/14094_15026.html</a></p> <p>Name of organisation: bit gruppe  Contact person: Mag.a Manuela Ortner-Arch  Postal address: 8054 Graz, Kärntner Straße 311  e-mail address: <a href="mailto:Manuela.ortner@bit.at">Manuela.ortner@bit.at</a>  web site: <a href="http://www.qualifizierung-jetzt.at">http://www.qualifizierung-jetzt.at</a></p>

#### Sources:

- Public Employment Service Austria (ed.): Service for companies, qualification consulting for the establishment of qualification networks: [http://www.ams.at/sfu/14091\\_18667.html](http://www.ams.at/sfu/14091_18667.html), last accessed on 19 November 2013
- bit group (ed.): <http://www.qualifizierung-jetzt.at>, last accessed on 19 November 2013
- Ortner-Arch, M.: Qualification networks in Styria, presentation document dated 20 June 2013, Transnational Forum, Graz