Training Agencies as Intermediary Institutions in Apprentice Training in Norway and Switzerland: General Purpose or Niche Production Tools?

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Proposal Information

Norway, as well as Switzerland, introduced in the 1990s training agencies in order to increase the number and quality of apprenticeships. In the traditional dual VET model, work-based training in the firm is at the core. Apprenticeship is structured by the contract between the firm and the apprentice. The firm accepts the responsibility to train the apprentice according to established standards, while the apprentice accepts a lower wage in order to compensate for lower productivity throughout the training period. The training agency intervenes in this relation, as it mediates between the apprentice and the training company in skill formation.

In both countries, the starting point for the formation of these intermediary institutions was similar: Training agencies were considered in terms of building structures that enabled firms to participate in vocational training. In Norway, training agencies were expected to strengthen quality and boost company-based training to enable an enlargement in the provision of apprenticeships (Høst and Michelsen 2004). In Switzerland, the model was intended to solve problems of dual-tracked VET provision in a period of shortage of apprenticeships, but also to enlarge the skill set of apprentices (Walther & Renold 2005). However, training agencies have developed differently in the two countries. In Switzerland training agencies seem to appeal only to a small minority of firms engaged in apprentice training. Federal Statistical Office assume that under 3 percent of apprenticeship contracts are concluded within a training agency. In Norway, in contrast, hiring apprentices through a training agency includes around 80 percent.

This contrast in outcomes raises a number of questions related to the formation of training agencies as tools for the enhancement of VET. In Norway, training agencies have evolved into general purpose tools, where a heterogeneous membership of training agencies to benefit from their services. In Switzerland training agencies seems to have found a niche where only a selective number of firms find such arrangements beneficial.

In order to explain differences in outcomes, we offer two types of explanations, which we regard as mutually compatible: The first focus on the organization of relations between the training firms and the agencies. As intermediary institutions, the training agencies provide services that are attractive to the member firms, but members also have to concede resources and discretion to the training agencies, which creates tensions and possible conflicts in several core areas (Leemann & Imdorf 2015b). The second addresses the embeddedness of the training agencies in different nation-specific contexts and development paths in apprentice training. At the time when the training agencies were established in Switzerland, apprenticeship was firmly entrenched as the main road to qualifications and to good and well-respected jobs. The agencies represented solutions to a set of firms with special needs and demands that transcended their internal capacity for the construction of broad skill profiles. In Norway the apprenticeship system was small and weakly institutionalised. The training agencies created conditions for protection and skill formation in a more lenient approach where apprentice-firm norms were not challenged.

The theoretical framework draws on both theories on intermediary organizations/corporatism (Streeck 1987, 1986, 1992) and theories of skill formation systems (Busemeyer and Trampusch 2012). In line with theories of corporatism, we focus training agencies as intermediary organizations. These are social formations that have other organizations as members. The problems of intermediary organizations and how they relate to their members should clearly be relevant to the analysis of the training agencies and their relations to member firms. These relations and their interaction create interesting research questions, which could fruitfully inform the study of training agencies and how they have developed in different nation-specific contexts.

Methodology or Methods/Research Instruments or Sources Used

As intermediate institutions, training agencies carry out a number of different tasks in the organization of apprentice training. But these tasks could in principle be organized in a variety of ways, depending on member requirements and the institutional environment in which they are embedded. In order to decipher the relations between member firms and the training agencies we have identified four central areas; the financing of the training, the recruitment of apprentices, the monitoring of training quality and the venue(s) of training. We pose four central questions:

1. Who provides the training
2. Who pays
3. Who monitors
4. Who recruits

Answers to these questions along these dimensions provide a basis for classifying training agency profiles and the division of labour between the agencies and member firms. For member of training agencies these tasks are subjected to dynamics structuring relations between the training agencies and member firms, where a number of different constellations or divisions of labour might be
The paper is based upon extensive empirical data, most of them collected by the Swiss and the Norwegian research groups. Of quantitative data we have surveys of the population of training agencies and their affiliated companies in Norway in 1997 and 2014, and an evaluation (questionnaire) of all known training agencies and their affiliated companies in 2008 by the Swiss federal government (BBT 2008). We have a broad set of interview data from a selection of training agencies and their member firms, from Switzerland (2014) and Norway (1997 and 2014). The research groups have also interviewed representatives of the federal government of VET and the conference of cantonal ministers of VET in Switzerland, and the national VET council, the national educational authorities, the regional VET-councils and the county councils in Norway. The data enable us to compare the training agencies in Switzerland and Norway, in terms of organization of relations between the training firms and the agencies along the four above-mentioned dimensions. To compare the different nation-specific paths in apprentice training in which the training agencies were embedded, we will apply literature on the institutionalisation of the national VET systems in the two countries (Høst and Michelsen 2004, 2018 forthcoming). Altogether this should enable us to discuss and explain the large differences in outcome.

Conclusions, Expected Outcomes or Findings

In Norway, the training agencies are small and local in character, administrative and training capacity is in general limited, and task priorities seem to be similar regardless of member exclusiveness. The Norwegian agencies do not intervene in core areas as far as the relation between the apprentice and the training firm is concerned. The member firms make the important decisions about recruitment of apprentices, they do not engage much in rotation processes, the economic contribution of the firm to the training agency is relatively small, but the firm accept engaging with the agencies in issues of monitoring of the training. Norwegian training agencies are low cost, general purpose tool for the organization of training in all types of member firms. In Switzerland, training agencies the agencies are also mainly small, but seem to be related to a quite different profile. Agency costs are generally high, and paid in full by the member firms. Thirdly they seem to intervene in core areas in a quite different way than the Swiss agencies practice rotation schemes; they seem to play a more significant role in recruitment processes. The combination of high costs and high intervention have produced a much more limited system of training agencies, which have evolved into a niche for firms with special skill demands. At face value training agencies were devised as relatively similar solutions to capacity problems in apprentice training in Norway and Switzerland. But the comparative study of the profile of these institutions seems to indicate that they have evolved into solutions to different problems. As such their respective profiles have been formed by the social environment which they were assumed to impact, but in different ways. These differences might be attributed to the character of the Norwegian and the Swiss VET systems and their development paths.

References


Intent of Publication

We intend to publish an article in IRJivet