



REGIONAL REPORT ON THE HEALTHY LEARNING ENVIRONMENT WITHIN SMEs – POLAND

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ABSTRACT

The aim of the report is to analyse the regional SMEs workplace culture regarding their healthy learning environment in Poland, and particularly in Podkarpackie region. The background for looking at this aspect is the fact that nowadays life long learning is not only necessary to ensure employability, but that SMEs need well qualified staff to stay competitive.

But how much attention do SMEs pay to this matter? And if so, in what sort of way? Are SMEs already providing a workplace which enables employees to continuously learn? And what about the prerequisites which facilitates employees to learn at the workplace? These were the questions looked at, taking into account studies and surveys coming from different sources like the ministry, insurance companies, unions, chambers, SMEs, and finally by directly asking SMEs in Podkarpackie Region.

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1) INTRODUCTION TO THE POLISH NATIONAL AND REGIONAL SITUATION

Polish lifelong learning perspective

The following part of the report describes the situation in Poland regarding the national lifelong learning practices. In the view of authors this is important section, since it constitutes the background and directly influences in-house training practices in SMEs.

Poland is still one of the European Union countries which have a very low level of participation in lifelong learning. According to Eurostat the percentage of people between the ages of 25 and 64 and taking part in any form of education or training amounted to 5.3% in 2010 in Poland while the EU average is 9.1% and the 2020 target is 15%.

In Poland adult learning is still thought of mostly in relation to post-compulsory learning, within the formal education system. The low level of participation in LLL by adults in Poland is maintained by the lack of a well-developed system for identification, evaluation and recognition of competences attained outside the formal learning system.

Missing are also regulations under which learning at work, related to ongoing training and upgrading of vocational skills, could be considered as important as formal learning in higher education. This is linked to the lack of a culture which is amenable to training which is tightly linked to economic or social practices. The lack of this tradition is reflected in the language of the legal acts, in which training does not have a separate legal category in the acts on education or in the acts on higher education. In fact, recent change in the tax code introduced a 23% VAT on non-formal training courses, eliminating any encouragement provided by the previous tax relief on such expenses.

While the formal education system is well on its way to carrying out European policy, the non-formal system lags far behind and with the demographic prognosis for an ageing population working to a later age it is this stage of lifelong learning which will be increasingly important. As opportunities for continued education in the previous system were rare as was unemployment, the economic and social motivations for adult learning have only become apparent in the past 20 years.

In the EU Poland is among the leaders in upper secondary education and among young adults (ages 18-24), however despite the success in formal education, Poland has shown low achievement in lifelong learning – it is among the lowest ranked in the EU in development of education preceding and after learning in schools and universities (aged 25-64 participating in learning) and as in many countries, there remains an imbalance between education and the needs of the job market.

The most poorly developed areas of learning in Poland – according to the indicators and evaluation from the monitoring of the Lisbon Strategy in Poland, the most poorly developed area of learning in Poland, is the one that is related to adult learners:

- one of the lowest rates in the EU for participation of adults in LLL, primarily in non-formal learning – participation of adults in formal learning is close to the EU average, despite the low level of higher education of adults from the former political system (EU/LS, AES,
- OECD/EAG)
- low level of vocational activity, including the lowest rate of employment in the EU for older people and one of the lowest indicators for the average age of leaving the job market – which is linked to the low level of participation in non-formal learning (EU/LS)
- a high degree of variation in participation of adults in LLL, strongly linked to their education levels – a poorly developed LLL system (EU/LS)
- a low level of investment in vocational training of workers (EU/LS)

- one of the highest levels of the threat of poverty and a low level of mobility among people which is linked to their low level of education and participation in LLL (EU/LS)
- a low rank of Poland in the European Ranking of Innovative Performance and in the European Index of Creativity (EU/LS)
- lack of a developed validation system – here and there only certain elements exist (EU/LS)
- low level of key competences among adults, particularly in the computer, social and citizenship areas (OECD/IALS, EU/LS)
- low level of professional achievement among adults particularly in the fields of public administration, an economy open to new technologies, science, higher education, an information society (OECD, UNDP, UNDESA, UNCTAD, WEF, World Bank, EU, OECD, IMD)

Poland belongs to the group of European Union countries which is intensively expanding its policy in the direction of LLL. This is shown for example by the stronger push towards education for the development of skills and a strong emphasis on the development of key competencies which is in line with the postulates of the economic environment. Clear changes are occurring in how quality is being assured in educational services in the formal learning system - in an effort to verify the degree to which educational outcomes have been achieved and not - as it has been up to this point – improvements in the educational process flow. More and more focus in discussions on changes to the system are pointing to the development of non-formal opportunities for learning and the significance of informal learning is commonly recognized. Awareness is growing of the need for a well-thought out policy to create conditions and support for learning in various places and forms throughout a lifetime. In the face of great economic changes and dynamically changing job market demands as well as the rapid multiplication of knowledge, two trends may be observed in actions taken affecting how the educational system is more strongly linked to the job market:

1. The clear separation between the formal educational system and the system which is vocationally oriented continues and is strengthened,
2. There is a stronger inclusion of practical elements in the formal educational system through the categorization of schools, programs and learning profiles (both in general and vocational systems) and a true linkage of education with practice – facilitated by legal regulations on getting pupils and students into vocational practical training.

The separation of the formal and non-formal systems is disadvantageous as is the non-recognition of the outcomes of informal learning. This is a very difficult problem to solve (particularly at the higher stages of education) where it is maintained by the following mechanism: academic teachers and universities, for whom scientific reviews and their range of scientific achievements as well as the fulfilment of special formal conditions for education are the most important aspects of how their work is rated; their work is not verified from the point of view as to whether they are meeting the needs of the job market. This means that a jobs-focussed orientation is treated marginally in the educational process. As a result an increasingly growing number of employers view a diploma at the middle or higher level as essential, however insufficient to be able to actually perform a job. As essential these days are most often seen: practical training of a few years, completed courses and passing of tests confirming the qualifications. The situation is paradoxical since often the persons who are confirming the qualifications in the non-formal system are representatives of the formal system who as part of the educational system can not recognize qualifications from the perspective of formal education requirements.¹

A quite significant change is the manner in which practical results of learning are expected. Additionally, a system of vocational guidance and career advising is expanding. This is often linked to the need to

¹ *Od standardów do jakości szkoleń w Małopolsce* edited by Grażyna Praweńska - Skrzypek and Marek Frankowicz, Kraków 2011.

upgrade the skills of school and other staff. Many of these actions are supported by national funding (POKL).

In higher education as well actions are being taken which aim to bring education closer to the needs of the job market. For a few years now the Ministry of Science and Higher Education through public tenders and calls has funded educational in areas where graduates are most sought after on the market, particularly in technical fields. In the reforms that are being designed an opportunity for the employers to request training programs exists and a way in which education can be designed and delivered in cooperation with an employer. The reform institutes a compulsory 1-2 semesters of practical training in vocational education. There is a central list of educational fields. Schools will have more autonomy in educational processes. Increase autonomy however must be linked to increased social responsibility. Independent definition of fields of study through the precise definition of the learning outcomes will be linked to the obligation of implementing external systems of quality assurance and evaluations of the attainment of the declared outcomes as well as monitoring of the fate of graduates. Flexible learning profiles will be made possible through a clear statement of the principles of how the process or program can be changed and the fulfillment of the qualification in a situation of change after the first or second degree and how the transition may be made from a vocational profile to a general or academic profile (third degree).

For many years universities have offered possibilities to support the learning process particularly among adults. In addition to post-graduate studies, universities of the third age, children's universities, and open universities there are also interesting propositions for people with higher education who want to attain other qualifications linked to the certification system guaranteeing the attainment of the defined learning outcomes.²

In Poland adult learning is still thought of mostly in relation to compulsory learning, within the formal education system. Lacking is a system of promotion, identification, evaluation and recognition of the outcomes of workplace-based learning (particularly in the leading sectors of the economy and among the leading companies) as well as involvement in civil organizations. Missing are also regulations under which learning at work, related to ongoing training and upgrading of vocational skills, could be considered as important as formal learning in higher education.

National legal regulations and policies

Notions like 'Adult education' and 'continuing education' are often used interchangeably. In Polish law, the term 'continuing education' is defined as 'education in schools for adults as well as the development of general knowledge, vocational skills formation and ability development in out-of-school forms by persons who have graduated from compulsory education'.³ According to this definition, continuing education in Poland is not identical with the continuing education concept as defined in the European Union where it is treated as a 'lifelong process' (lifelong learning).

Currently, the following legal regulations define main tasks of continuing education:

- The Education System Act of September 7, 1991,
- The Act on Promotion of Employment and Institutions of the Labour Market of 20 April 2004,
- The Act Law on Higher Education of 27 July 2005,
- Labour Code of 26 June 1974,
- Development Strategy for Education for 2007-2013.

² *Od standardów do jakości szkoleń w Małopolsce* edited by Grażyna Praweńska - Skrzypek and Marek Frankowicz, Kraków 2011.

³ Article 3 of The Education System Act of September 7, 1991

Continuing education may be organized and conducted in schools for adults, continuing education units, practical education units and in-service training centres. Continuing education can be conducted as a full-time education, part-time education or in the form of e-learning.

Adult vocational training and adult general education can be provided both in the school and out-of-school forms, in primary schools, gymnasias, basic vocational schools, upper secondary and post-secondary schools, and in higher education establishments. Vocational training and general education for adults in out-of-school forms (except post-graduate studies) can be organized in different forms by:

- public education institutions,
- non-public education institutions.

Non-public education institutions can be organized by:

- social organizations and associations,
- religious organizations,
- individuals.

Participation of the adult population in continuing education in out-of-school forms is relatively low (in comparison with other EU countries) at 5.6 %. The low level of involvement in learning mostly concerns the part of the population aged 45-64, namely persons who have completed their education in the previous system. Shortcomings in their education are related to language and ICT skills, and as well as to the skills demanded by the labour market (Report on Poland's Intellectual Capital, 2008). The relatively low participation in formal continuing education may result from low interest and activity of employers in this regard as well as low awareness of such a need from the side of people with low qualifications.

The implementation of lifelong learning in Poland has been criticized in a manner that is justified according to the data published by the European Commission in a report on lifelong learners which shows that the number of adult learners in various learning paths is almost two times lower than the European Union average.⁴ The results of a monitoring study on the status of the Bologna Process in specific countries also confirm the difficulties of achieving lifelong learning goals in Poland.⁵

The weakest point of the national education lifelong learning system is the recognition of the learning outcomes achieved in informal or non-formal learning, particularly outside of higher education. The legal regulations (from July 2007 on educational standards) provide for the recognition of learning outcomes in only two fields: foreign languages and information technologies. The academic world also remains unconvinced that changes are necessary here in the near future.⁶

Actions taken to implement mechanisms supporting the development of lifelong learning (legal instrumentation, development of strategies and sectoral policies, allotment of a serious amount of financing for implementation projects, changes in the system of quality assurance are often funded by calls or tenders which selected the most well-prepared proposals.

The available EU resources on the development of adult education in Poland in 2007–2013 are as follows:

- Lifelong Learning Programme with its components: Leonardo da Vinci, Comenius, Erasmus
- Operational Programme Human Capital

⁴ Delivering lifelong learning for knowledge, creativity and innovation, European Commission, COM(2007) 70, Nov. 2007

⁵ Bologna Process Stocktaking, 2007; www.ond.vlaanderen.be/hogeronderwijs/bologna/documents.

⁶ Andrzej Kraśniewski, Bologna process 10 years already, Foundation for the Development of the Educational System, Warsaw 2009

- Regional Operational Programme

The weakest point of Polish policy on LLL is building a system for recognition of qualifications attained outside of the formal system. This is also a critical element of policy which means that without its implementation it will not be possible to build a cohesive lifelong learning system nor to benefit from the main assets of national development and the creation of competitive advantages. The greatest issue is the recognition of qualifications achieved informally through self-education and job experience. This type of learning does not have strong social representation, able to fight for its recognition, in fact it is a threat to the interests of those involved with formal and non-formal education. The situation appears to be a significant challenge as in today's society with rapidly evolving technology and information systems, informal education plays a very important role and in the future it may play the leading role. It is not hard to notice that today technology is the least expensive method of increasing qualifications. This is linked to the skill of learning, finding and making structure out of knowledge. This requires endurance and determination – and what is perhaps most important – creativity. Taking this beyond the sphere of formal recognition of qualifications may lead to the construction of alternative systems for attaining and confirming qualifications.⁷

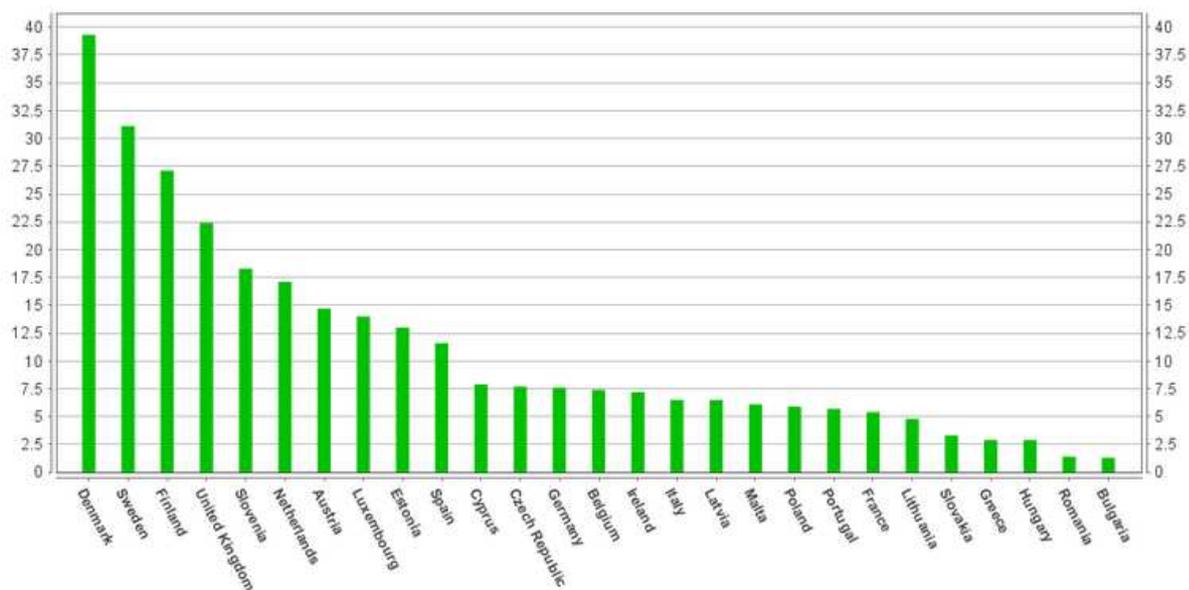
A serious problem is also the construction of a cohesive system for evaluation of learning outcomes, understood as an actual level of competences achieved. Standardization of learning outcomes achieved in various manners and various places and their clear evaluation will provide a way to go beyond the monopoly of the formal education system.⁸

Poland is still one of the European Union countries which have a very low level of participation in lifelong learning. According to Eurostat the percentage of people between the ages of 25 and 64 and taking part in the trainings, amounted to 5.3% in 2010 in Poland, whereas the average percentage for the countries of the European Union amounted to 9.1%.

Life-long learning (adult participation in education and training) in 2010

⁷ *Od standardów do jakości szkoleń w Małopolsce* edited by Grażyna Praweńska - Skrzypek and Marek Frankowicz, Kraków 2011.

⁸ *Od standardów do jakości szkoleń w Małopolsce* edited by Grażyna Praweńska - Skrzypek and Marek Frankowicz, Kraków 2011.



Source: Eurostat

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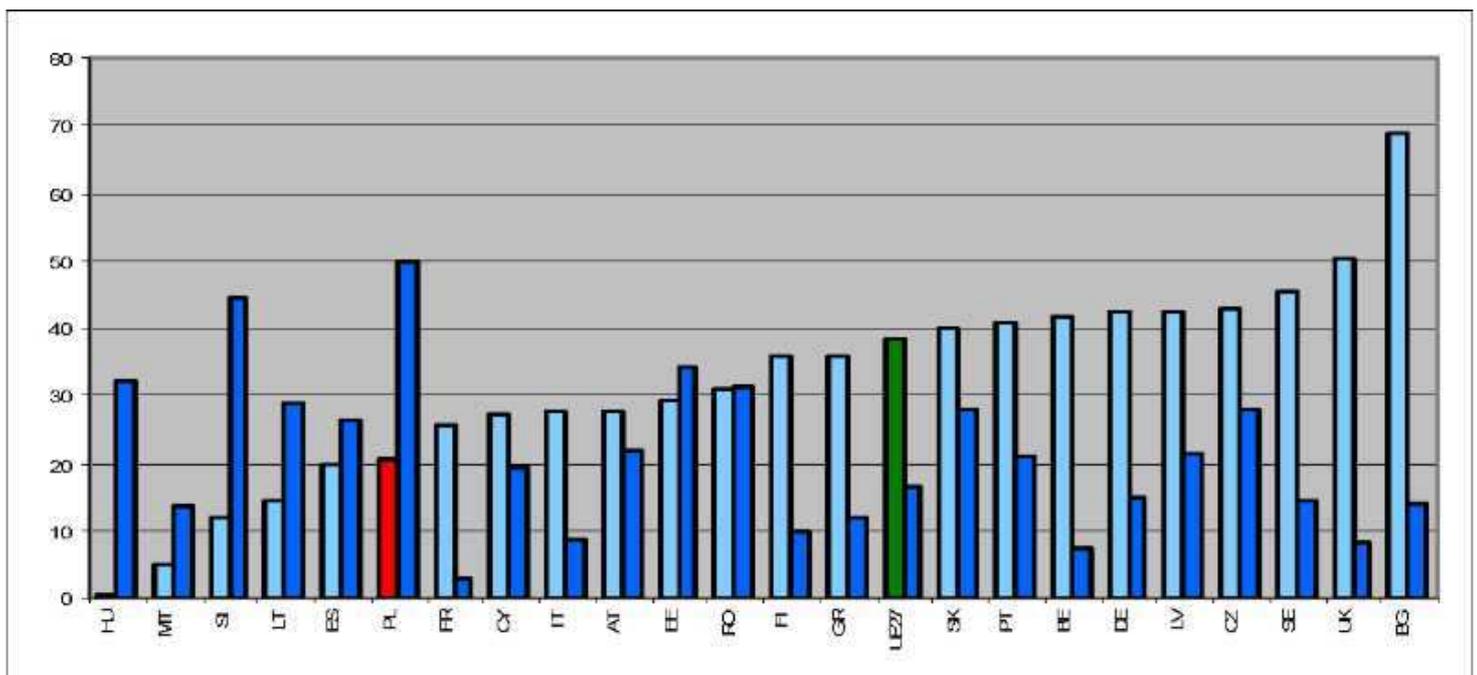
<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=0&language=en&pcode=tsiem080>

Poland (together with Bulgaria, Greece, Romania and Slovakia) is in the last group of EU countries in the complex indicator for development in LLL between the ages of 4 and 64. Poland is in the last group of EU countries in the complex indicator for innovation (vertical axis).⁹

Internal training in SMEs

From the Adult Education Survey – category on participation in LLL over the past 12 months it shows that **Poland has a low level of involvement of employers in organizing training for employees**. Training institutions are much more active. The low level of participation in LLL by adults in Poland is also maintained by the lack of a well-developed system for identification, evaluation and recognition of competences attained outside the formal learning system. **This is linked to the lack of a culture which is amenable to training which is tightly linked to economic or social practices**. The lack of this tradition is reflected in the language of the legal acts, in which training does not have a separate legal category in the acts on education or in the acts on higher education. Training remains under the influence of the learning process in schools and universities which is too remote from the practical side – institutions which rarely cooperate with economic entities or the third sector.

Participation of people ages 25-64 in education and training organized by employers (the lightest color used) and training provided by training institutions (darker color) in the EU (2006/2007)



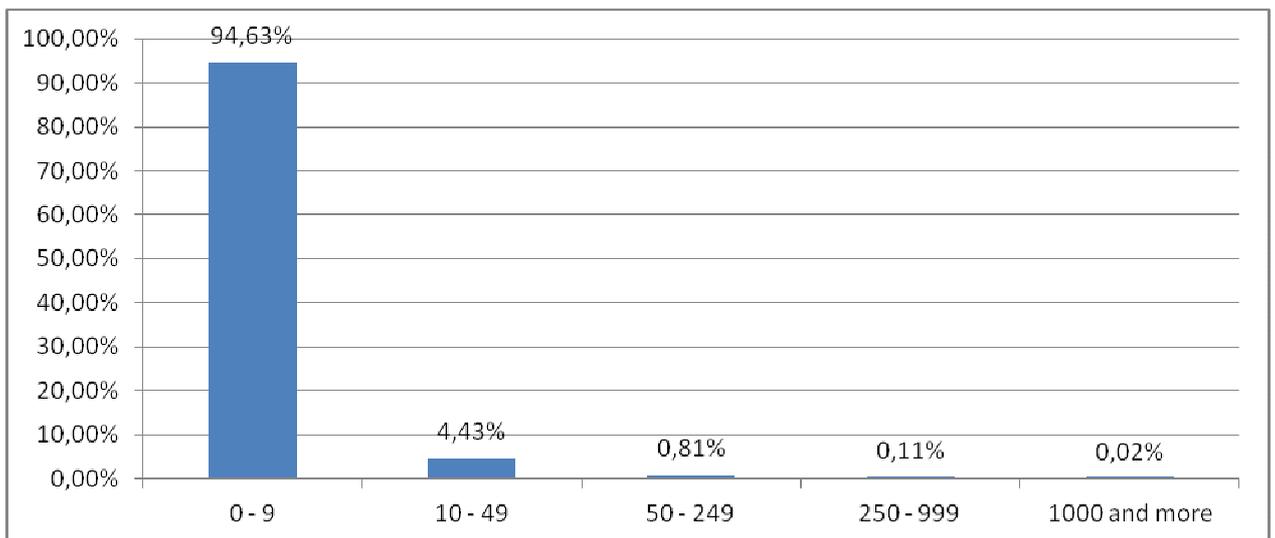
2) THE REGIONAL WORKPLACE CULTURE

The study was done on 23 SMEs representatives, the vast majority of whom were business owners (18 respondents). Among interviewed participants were also: directors/managers of companies (3 people) and other staff (2 people). All represented the micro and small companies (none of them employed 50 or more people). The detailed structure of SMEs in terms of the number of employed was as follows:

- 4 respondents represented a form of self-employment,
- 9 SMEs had 2 to 9 employees,
- 10 SMEs had 10 to 49 people.

The entities represented various industries (services, production, trade). The study population was dominated by men, who constituted 69,7%, that is 16 respondents. All SMEs were located in Podkarpackie Region,

Podkarpackie (the Sub-Carpathian) Region has the highest percentage of rural population in Poland. More than half of its population (59%) live in rural areas. The rural nature of the Region is in contrast with the development of larger cities. The capital of the region, Rzeszów (172 500 inhabitants), is a centre of industry and services, culture and education. It can be noted that companies located in the rural areas, or even other cities than Rzeszów have definitely lower access to external vocational education opportunities. This situation was reflected in the study done (15 SMEs were located in Rzeszów). According to GUS (Central Statistical Office), at the end of December 2010 there were approx. 152 600 business entities in the Podkarpackie Region. The main types of business activities included: the wholesale and retail trade, repair of motor vehicles and motorcycles, construction, industrial processing, professional, scientific and technical activities, transport and warehouse management. The following diagram illustrates the size structure of the companies.



The vast majority of companies employ up to 9 people. Companies that can be considered as SMEs (up to 249 employees) constitute 99,87% of all companies in Podkarpackie Region. That is an important argument to undertake such activities as Healthtutor project to improve learning processes in SMEs. Among the smallest sized companies with a few employees, only few exception could be mentioned that actively promote learning in the workplace or support external education. One factor contributing to this situation are: relatively well educated young people and high unemployment rate. Podkarpacie (15,7%) in December 2011 was in a group of provinces with the highest unemployment rate, which included the

following regions: Warmińsko-Mazurskie (20.1%), Zachodniopomorskie (17.5%), Kujawsko-Pomorskie (16.9%), Lubuskie (15.4 %) and Świętokrzyskie (15.3%). It means that employers have relatively good access to skilled staff, and therefore frequently neglect the necessity to improve further competencies of employees.

3) FEEDBACK PROVIDED BY SMES

The results of the conducted research indicate that organization of learning processes in firms is done in various ways. Slightly more than half of the analyzed SMEs declared that in their firms workers are trained in an organized manner, although 8 said that the trainings are done externally, and 10 said that they combine external and internal trainings. Moreover 4 interviewees pointed out that in their firms employees systematically train themselves, they are even obliged to do so.

In the organization of external trainings for employees, employers collaborated with:

- specialized training companies,
- sales representatives (“I often when organizing training work with sales representatives from producers and that’s quite all; practically we don’t use professional services”),
- representatives from major corporations (fuel suppliers, retailers, insurance companies) and
- schools and universities (aprox 1/3 of all employers choose this option, as a form of skills improvement), also
- agencies and institutions (town councils, SANEPID [Sanitary and Epidemiology Inspection Agency]).

Internal training is organized in two ways:

- By employers themselves (“I’m trying to acquire the knowledge myself, mainly by contacts with other firms from my industry, it’s an exchange of experience on some new issues and that knowledge I try to share with employees”) and
- By selected employees that have been delegated to train themselves (“those trainings are organized so that someone acquires the skill of how to use the new medical equipment and then that person trains others, transfers the knowledge. It’s the cheapest form”, “Some of our employees drive their way to those trainings all over Poland and then their job is to train others. And I see that those trainings have a good effect”).

Thus, as organization of the external training is based on the standard form of subcontracting to specialized institutions, the internal training is mandated to cut the costs. It is worth mentioning that trainings are specifically linked to the skills relevant to the firms’ operational activities, because among external trainings, there are some that are provided by the major holdings and concerns (the possibility to use their expertise) and producer sales representatives (gaining skills to service equipment, better understanding of the available product range).

Of the usefulness of the learning processes for the firm’s activities, 10 of the respondents said in their firms more than 70% of all employees are being trained, and 8 respondents declared that in their firms all of the employees are being trained. Only 2 indicated that just 40-50% of the staff is involved in the training, and the next three – specified that the percentage of the workers involved in the learning process is to about 20-30%. The employees have completed the following trainings:

- sales techniques, customer relationship building, negotiation techniques
- product specific trainings
- license and certificate training specific for the industry
- training concerning selected legal issues
- mandatory trainings; safety on the job and fire safety

SMEs are interested only in those learning processes that are significantly improving quality and organization of the activities. This could be indicated by the fact that only two of the employers said that staff improve their language skills. At the same time, only 5 of them declared that employees are

delegated to training and training forms. Not one of the firms managed by the respondents uses a training plan. Through the analysis conducted thus far, it could be assumed that employers concentrate on the learning process of their staff. In reality, however, it could be said that those are more declarations than real interest in the problem. From the formal point of view (delegating workers to training), as well as from the planning of staff development, most of the activities are of the latter type. "Undoubtedly, trainings had to be included in the budget and they have to be a major element of the HR policy in every firm. But of course, in practice all that depends on the situation and policy of every firm".

The lack of an education policy, which is indicated by learning plans, makes it difficult to make decisions regarding continuing development of employees. That opinion is not changed by the observed relatively high tendency to organize educational processes and the fact that overall they declare participation in training by all staff and it's hard for them to point out any particular group that receives more training than others: "When we send someone for training, age or position does not matter, only the need".

Only a few of the interviewees said that in their firm office workers receive more training than production staff:

- "I will not send drivers to college, because I don't need drivers with a degree to do their job. So, desk workers are trained more often because of the work they do".

Moreover, of the level of educational activity of the employees – according to four employees – age is a major factor. Younger employees are sent to training more often. The deciding factor is the need, and that they are enthusiastic about the training. Older staff, with a more demanding family life, do not want to take part in training, especially if it requires travel:

- "When considering training marriage status is important. From my observations, I know that people who are not married are willing to travel more often".

As it has been indicated by the conducted research, the idea of ongoing learning for employees is fully accepted by employers. The majority understands the need and benefit of employee training, and thinks that it is important. According to employers, the primary benefits from training could be:

- Increasing effectiveness of the firm's operations ("It's worth training staff, because it is reflected in the turnover; it's just that a firm could have better performance because of the trainings").
- Contentment of staff ("Moreover, trainings have a positive impact on employee self-esteem").
- Creativity of workers ("It is worth training, because after that staff is more independent, and they can solve problems by themselves").
- Increased staff ability to use skills in new technical and technological processes. ("Trainings are the basis for development of every employee, regardless of where he works, everything is changing rapidly nowadays, trainings are essential").
- Increased chances to adjust skills to the job needs ("I would like to add that training means not only to improve someone's skills but also the ability to retrain. In this moment the speed of change is so rapid, that without training the firm won't move at all").
- Increased employer satisfaction with the performance of the staff ("I think that trainings are very important, because an employee should gain the awareness that the employer gives him concrete goals, and secondly that trainings can protect staff from burning out").

Employers' opinions generally indicated that learning processes are useful for the firm's operations. Although some of the respondents said that staff should be trained, but when some conditions apply. They pointed out above all the nature of the job. The employers specify that trainings should not be imposed on anyone. The important argument was that often after training staff wasn't using the acquired skills in their job. Above that, in the answers there were arguments on the low quality of trainings, in the case where training does not provide theoretical and practical knowledge. Generally, employers have a positive attitude towards learning. Although in Poland there is lack of effective instruments to motivate employers to invest in staff training (implied by the low percentage of workers involved in continued learning).

The most common ways of co-financing adult continued learning was by company internal funding. The reason was that (pointed out by the employers) they did not know about any other means of funding. Employers finance trainings from their own resources and sometimes by using special grants. There is

also a possibility to co-finance learning processes by employees, which could be linked to transferring by the employers some of the costs to the person who has the will to improve or change qualifications.

During interviews SMEs pointed out that the possibility to use grants is sometimes hindered by time consuming and ineffective, bureaucratized procedures to obtain them, but also because there's no practical knowledge on financing training, because it has to be pointed out that they had theoretical background on using EU funds, as a means to co-finance training. Employers don't know where to find this information, which is symptomatic especially for small companies, not having in their structures specialized departments to indicate training needs and setting further courses of education for employees. It has to be pointed out that for this purpose they need to have the knowledge not only on human resource management but also on micro- and macroeconomics, to identify determining factors that firms can use in the future. If enterprises are aware of possibilities of co-financing trainings for employees, then – according to respondents – the rules determining their usage are not clear and bureaucratic, and entrepreneurs usually try to avoid them.

In addition, using public funding is related usually to control, something enterprises would like to avoid. Generally employers assess negatively public funding which is to strengthen lifelong learning. They count mainly on changes in the law (but they cannot indicate which), subvention increasing from national public funding and increasing of co-funding from structural EU funds.

The research provided interesting data on the quality of human capital in the analyzed enterprises and methods of increasing it. Most of the employers' staff possess qualifications adequate for the job. The primary shortcomings are linked to specific technical knowledge and practical skill deficit, experience and manual skills, creativity deficit, initiative and ability to make decisions and commitment to work. Most of the respondents do not make training plans.

The lack of financial resources was pointed out as the primary barrier to the learning activities. It was pointed out more often in the smaller enterprises than in the bigger firms.

In the opinion of employers other barriers were also pointed out, that they say could influence their willingness to send staff for training. In the answers provided to a question on specific factors, a major group of respondents for the significant barrier pointed out a lack of time on finding the right trainings and lack of help from institutions. Some of the respondents as an important barrier in the organizing of trainings pointed out bureaucratic barriers and complicated procedures of acquiring funding for training. Activities that could encourage employers to initiate, organize and finance trainings for employees – in the light of respondents' opinion are: the possibility to acquire public funding and EU funding for training, introduction of tax relief for companies organizing trainings for employees, introduction of an integrated information system about trainings, cutting bureaucracy and red tape, improved training quality and attractiveness, co-operation with small and medium enterprises with schools and universities, and an increase in the number of free trainings financed from the public funds and EU funds, last but not least the existence of intellectually strong trade unions.

Continuing education of employees is dominated primarily by individual needs, next to the effectiveness of tasks done by them and better performance of the firm in the end. Entrepreneurs prefer courses as a primary form of qualification adjustments for the job. They rarely send staff for degree or post-degree studies.

In the respondents' answers there was anxiety, linked to the lifelong learning and qualification upgrades by staff. Acquiring new skills, despite obvious benefits for enterprises, creates the danger of trained employees "moving away" to other firms and institutions. External factors could have negative effects on education, which is reflected only by the particular enterprise. It is also one of the indicated reasons and aversions to the use of public assistance, as it obliges the firm to strict monitoring and control of the effects of continued education among employees and employers.

The results of the conducted research confirmed a weak utilization of an educational fund that could be created by the means of a legal act from 20th April 2004, on the promotion of employment and labor market institutions.

It seems that there is a very low percentage of employers that use this instrument. Among all analyzed employers the majority did not have any knowledge of creating and using a company education fund, as described by means of the abovementioned law. Most of them did not create any fund and they do not

plan to do so in the future. None of the respondents, that have used the opportunity to create the fund, used grant opportunities from the Labor Fund, which means that this instrument in the interpretation of the law was not used. Most of the reasons for lack of interest in creating the educational fund is “non opportunity for financing”. Most of the analyzed employers indicated as a reason “too much bureaucracy”, and some of them said that “there is no need, we don’t train workers”.

Some of the respondents would make the decision of creating an educational fund on the presence of impulses like: increased external grants, tax relief, unbureaucratic procedures of implementation (easy procedures, elasticity of legal procedures), significant refunding of the costs of training and increased transparency of creation of the fund, among other forms of benefits for the company.

The research points out that the training process in the companies is generally connected to the development strategy. Creating and realization of the right strategy of human resource management is related to the training plans. Those tasks have not been undertaken by a significant majority of SMEs. Their needs for training are satisfied on an ongoing basis. It creates a risk that lack of training plans could disrupt the smooth functionality of the firm and thus decrease its development. This phenomenon is produced by the dim reflection of human resource management in the organizational structure of the firm. This is highly evident in the small companies that do not have organizational departments responsible for human resources and thus for employee education. In the majority of the enterprises, there is no department that diagnoses qualification potential in relation to company strategy. The lack of education strategy of the enterprise is a consequence of their unawareness of the benefits they could possibly gain by training staff. The idea of lifelong learning is weakly recognized –by the employers and managers as well as by employees.

The interviews showed that the most common stimulus to invest in career development is a formal requirement, imposed on employers by policymakers and a firm’s need linked to the character of the industry. Generally, employers do not use incentives for employees to increase their educational activity. Only a few employers declared positively in this scope, but none of them mentioned possibilities such as study vacations, refunding of travel costs or accommodation costs or study materials. The incentive in this case was mainly on referral to the rational arguments that the training will bring significant benefit to the employers as well, and that after the training there will be a social event organized – integration activity. This situation is mainly a result of the lack of the appropriate financial opportunities.

Through the conducted research – generally it could be assumed that employers:

- Evaluate positively the knowledge and skills of the employees from the point of view of the needs of the job positions.
- Quite rarely take actions to sustain lifelong education in their enterprises
- Assess low the propensity of staff to change or increase job qualifications through lifelong learning as quite low.

In light of the above conclusion – in the scope of the general determining factors of lifelong learning by the enterprises it should be pointed out that the need to increase lifelong learning has to be changed, as well for the employers as for employees. In other words – the need for lifelong learning has to be intensified among both employees and employers, which is a necessary condition for all actions taken to increase – firstly – the propensity to create company education funds and – secondly – the scope of their utilization



4) IDENTIFICATION OF BEST PRACTICES

PARP Academy

PARP Academy means a large educational project cofinanced from EU funds, run by the Polish Agency for Entrepreneurship Development. The project is aimed at SMEs and one of the key results is the system of free-of-costs online courses.

Inauguration of the portal and the PARP Academy project for MSME sector participants took place on 20 November 2006. Since mid-2008, the PARP Academy project continues to co-financing of the European Union under the new European Social Fund program: Operational Programme Human Capital (OP HC). Currently, the PARP Academy portal available are thirty two courses, updated and supplemented, and is also a section of entertainment and knowledge of managerial games and multimedia presentations. At the end of 2009, the number of participants exceeded 80 thousand people. The aim of the Academy of PARP is a free universal access to business knowledge through remote education methods (e-learning) among:

- participants of micro, small and medium enterprises,
- a limited number of participants from large companies and
- people planning their own business.

PARP Academy online training are substantially matched to the needs of small and medium enterprises, and the way they are presented is a straightforward and practical. Thanks to the Academy of PARP, the participants of Polish small and medium enterprises for the first time they can afford the best training to operate examples of business practice and are adapted to the economic realities in Poland.

The training participants can benefit from the support hotline in contact with their teachers by phone or e-mail, 12 hours a day 6 days a week. An additional possibility is that access to subject matter experts - tutors. Forums and chats provide an opportunity for exchange of knowledge and experience and work in groups. In addition to the online training was held nearly 40 regional workshops in various Polish cities, as well as classroom training and blended for the training industry

For the project is used for powerful infrastructure: modern datacenter server farm, an extensive e-learning platform with a number of support tools such as, among others chat, video chat, forums and wikis, and digital call center helpline eight hundred and first

This is one of the largest, if not the largest e-learning projects in Central and Eastern Europe.

<http://www.akademiaparp.gov.pl/aktualnosci.html>

5) CONCLUSIONS

On the basis of desk research works and interviews conducted, the following incentives for SMEs to actively engage their employees in learning processes could be mentioned:

1. Open access to information on the possibilities of co-financing of training

Employers, especially small and medium enterprises should be directly supplied with information on training opportunities, especially the possibility of their funding. Such information should be clear and transparent to the employer to know they will receive the benefits can be achieved and what may appear to threaten the achievement of such an enterprise. It is very important especially today when there is a possibility of the implementation of many projects from EU funds for financing vocational education.

2. Databases with educational institutions and their training offers, accompanied with training quality assessment

It would be welcome by companies, that the quality of training institutions/training offers was authorized by the institution designated by regional authorities or by public employment services. Alternatively - expansion of existing, publicly accessible registries of training institutions with additional information. Such a register should include - besides the basic information about the given entity, an information about the certificates they possessed, the quality of training activities and references from such e.g. local labour offices. The creation of quality evaluation system and strengthening supervision over the quality of lifelong learning could increase the trust of SMEs in the value of training with the help of outside entities. Important for employers is also to guarantee that the educational institution has the right to award the recognized certificates to participants.

3. Dissemination of knowledge among employers about the situation on local labour markets (the results of monitoring of surplus and shortage occupations, and the results of other studies in this area). This would allow to reduce the gap between skills achieved in formal education and those required in the workplace.
4. Reduction of the obstacles and costs of educational activities by:
 - a) facilitating access to external funding of training, e.g. in the area of public support documentation,
 - b) linking educational activities with respect to employees of the tax system by introducing a tax exemptions from income tax (CIT),
 - c) reducing of social security contributions in the entities funding the training of workers,
 - d) financial assistance for enhancing the qualifications, in particular addressed to low-income groups and low-skilled (eg, training vouchers, scholarships, tax credits for income tax PIT).