
A European inventory on validation of non-formal and informal learning:

Examples of Good Practice - Koskisen Oy, Finland

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1.0 EXAMPLES OF GOOD PRACTICE - KOSKISEN OY, FINLAND

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1.1 Introduction

Koskisen Oy is a wood production company in Finland with 1,076 employees producing veneer and other products refined from wood. A system to validate informal and non-formal learning was developed already in 1994 by the company HR department and funded by the company itself. The validation system is based on recognition of skills and expertise acquired at work and is complemented by an in-house practical and theoretical training scheme. Every employee of the company is provided with an opportunity to validate their competences; the process has been designed to take into consideration different skill levels.

1.2 Description of the initiative

Motivation

The company originally developed the system for three key reasons. In the 1980s the company was faced with a situation where staff turnover levels were in increase and at the same time the work in the industry became more demanding. They were also finding it hard to recruit new employees. Action had to be taken to improve the situation.

As a response the company wanted to develop a system which would allow employees to carry out a wider variety of tasks as a way of enriching their work routines and creating better jobs. As working in the factory was also becoming more demanding and the national qualification system did not offer relevant qualifications for low skilled production workers, the validation scheme was also designed to address this gap in the national / regional training provision.

Working in partnership

The system was developed by HR manager of the company with support from the management. Lecturer from a local vocational education institute also provided some expert advice on the development process, particularly on the theoretical training and assessment process. Furthermore, employees were consulted about the project and assessment procedures; trade union representative from the company was involved in the development process from the very start and still attends all the meetings which are related to this project.

The company practice receives significant support and recognition from the sectoral trade union, the Wood and Allied Workers' Union.

Validation activities in the sector

The company operates in the mechanical wood manufacturing sector – a sector in which validation of informal and non-formal learning traditionally has not played important role. This is partly because the sector has not been particularly popular and traditionally employment in the sector has not demanded high skills or qualifications.

Situation has, however, changed in the last few years and some of the largest Finnish companies in the sector (e.g. Stora Enso, UPM) have introduced similar procedures.

Project funding

The methodology, training programme and certification system was solely developed and funded by the company itself. These days the Finnish government subsidises one third of training costs of each individual employee that goes through the programme, as a part of national apprentice funding programme.

All employees who have their competences validated and who obtain one of the certificates, receive a grant from the company together with an automatic pay increase. Furthermore, those over thirty receive also receive an additional adult education training grant from the Finnish government.

Five different types of competences can be validated at Koskisen Oy, of which three are focussed on validating skills relating to the factory's production work and two for management (people and production) skills. Originally the validation methodology was developed for production workers, a mechanism to recognise management skills was developed at a later date. Having increasingly well trained, multi-skilled staff created pressure to support managers at different levels. The HR department realised there was a need for similar procedure for people in management positions.

Training

The process to validate skills of production workers starts off by expanding the tasks she/he carries out every day. It is the core of the company culture that more experienced members of staff teach new processes for new members of staff. So the participants are trained by their senior colleagues to carry out all activities relevant to the production stage in which they are involved in. Furthermore, participants received 2 hours of theoretical training every week. This process takes 1-1.5 years after which their skills are formally assessed and recognised.

Those in management positions in the company, from team leader level to director, can have their management skills assessed and validated. They are also given an opportunity to go through 1 year informal training scheme. The scheme includes 4-5 all-day training events, different exercises ranging from managing and chairing meetings, individual and group exercises to short, written assignments. The complexity of training activities varies according to the management level of each employee.

All in-house training is tailored to match exact needs of the company and the sector.

The company also supports some employees to continue their further studies in a university or technical higher education institute if the employee has motivation to do so and skills are required in the company.

Organsation of learning

Validation of competencies in Koskisen Oy mainly covers skills acquired at work. However, some other competencies which have been acquired outside of work are recognised in some instances, for instance, First Aid and health & safety. But no formal validation mechanism has been developed to recognise these skills. Nevertheless, validation of management skills indirectly recognises skills gained outside of work as management and organisation skills can be learnt in hobbies, committees, politics etc. Customer and people friendly management style and language skills are particularly highly regarded by the company.

Assessment procedures are different for production workers and those in the leadership positions:

Assessing skills of production workers

Competences are assessed through 4 practical competence tests and 4 written, more theoretical examinations. Employees have an option to replace written tests with oral ones if they prefer so. Theory tests weigh significantly less than the practical exams.

In practical examination the assessment team observes the employee for three hours and pays particular attention to work safety matters. Assessment is carried out by one company manager, trade union representative and colleague of an employee. Theoretical tests are assessed by an external expert (teacher).

Assessing leadership skills of employees in management positions

Assessment of managers is an on-going process. Participants are assessed in the way in which they conduct the exercises (chairing meetings, written exercises etc.) and some elements of their everyday work. The assessment process ends with presentation and essay (topic is usually - Managing Change).

The approach of the company is that no matter how good qualifications some of the skilled workers of the company have, they still do have to demonstrate their leadership and people management skills.

Certificates

As mentioned, the validation methodology allows recognition of five different types of learning. Those who pass the formal assessment receive one of the five in-house certificates:

Production workers:

- Certificate for general production/process workers (veneer production)
- Certificate for saw process workers
- Certificate for mechanical maintenance workers

Management skills:

- Team leader certificate
 - Leadership certificate for different levels of managers
-

Certificates can be compared to some of the national qualifications. Certificates for production workers match qualifications from vocational colleges, however, are more highly regarded by the company itself because of the extensive practical knowledge base. Management training is not directly related to any national qualifications. Certificates are recognised by a number of educational institutes across the country and provide exemptions from certain courses. But at the moment these are case-by-case decisions, although the company and trade union are working to disseminate experience through national committees etc.

Validity and reliability

The reliability of the validation process is secured by the fact that the assessment is carried out by a team of assessors, each from different background. It is always made sure that another colleague is a member of the assessment team as they are the ones with thorough understanding of the work tasks. The validity of written examinations is ensured by an external expert; lecturer from a relevant vocational education institute helped to design the theoretical training and assessment.

Training programme and certification system also meet the public requirements and are recognised by the government as they cover third of the training costs, and also provide grant for mature participants.

Employees have also been consulted about the validation methodology and employee's representative has been involved in the development process from the start. The base for the whole methodology is that the assessment system is viewed both comprehensive and fair by employees.

1.3 Outcomes and benefits

For the individuals

400 employees have validated their skills accounting some 37 per cent of all employees. Employees who have participated this process have benefited in many ways:

- Better self-confidence
- Better quality job
- Broadened and improved skills-base which enables employees to undertake a greater variety of tasks
- Greater understanding of work processes and tasks
- Training grant
- Salary increase
- Improved access to training courses
- Better access to promotions
- Certificates which are recognised by companies in the same sector
- Course exemptions in colleges
- Farer career progression route.

For the company

Outcomes for the company from recognising informal/non-formal learning are multifaceted:

- Their employees are multi-skilled and more motivated, committed and adaptable employees than before.
- Validation initiative has helped the company to transform itself from a basic manufacturing enterprise into high value-added production company – thanks to the highly skilled workforce.
- Team working culture has improved – staff members increasingly work together and are able to replace one and another during absences.
- Move towards more equal, less hierarchical employee structure due to increased skill levels.
- Company has received several national recognitions for its human resources policies (e.g. award for good employer, best apprenticeship scheme provider of the year, Best place to work 2004 ‘Suomen parhaat työnantajat 2004’ - 2nd position and the only awarded manufacturing company).
- Excellent working environment and low staff turnover levels (turnover levels have gone from 20-40% down just to 5%).
- Higher productivity: during the early training periods the productivity of each participating employee slightly falls but in the longer term significantly improves as a result of new skills and motivation.

Wider impact

The initiative has also had a wider industry level impact. The initiative has helped to raise the status and credibility of the wood production industry. These days a couple of largest companies in the same industry (e.g. Stora Enso, UPM) have also introduced similar procedures.

1.4 Sustainability and transferability

Koskisen Oy recognises there is still more to do in this area and even more has to be done in this sector in the future. Companies in this industry will be hit extremely severely by staff shortages in a decade or so due to ageing population. Secondly, the industry requires increasingly higher skilled labour in the future.

1.5 Barriers and future support needs

Barriers for companies

Traditional way of thinking in the Finnish society is that educational institutes take care of education & training while companies focus on running their business and providing employment. Education institutes lose money if more companies provide their own training and validate their skills – therefore some colleges may not be as interested in collaborating in validation activities as hoped. This again has knock-on effects on companies as HR departments rarely have the theoretical expertise in place to develop training courses and assessment procedures.

Finally, many companies do not understand the potential benefits of validation initiatives yet and smaller companies rarely have resources to set up such initiatives.

Supportive policy frameworks

Support from different levels of policy makers and other actors could help more companies to get involved in validation initiatives. European and national level recognition for companies actively developing and delivering validation initiatives is of paramount importance.

National and European actors are also needed to increase appreciation for vocational work and vocational education and training. Currently too much focus is laid on university education, while majority of businesses are lacking skilled but less theoretically educated labour. It is also important to link education and training frameworks closer to the needs of business life.

Businesses taking up validation initiatives would like to receive more support from local and regional vocational colleges – flexibility from them to come and help companies to design and implement similar schemes.

1.6 Conclusions

This initiative demonstrates particularly good practice in the way in which it assesses and recognises skills acquired at work. The methodological validity of the development as well as the assessment is ensured by engaging different stakeholders, also employees themselves, in the process. Furthermore, external experts are also used to ensure theoretical validity of both training and assessment.

Recognition of skills and competences bring clear benefits for the employees of Koskisen Oy as well as for the company itself. Certificates are recognised by the industry and education institutes, and recognition also automatically leads into salary increase and improved access to training and promotions. Also very importantly, validation of skills in the company has created a fairer career progression system for all employees of the company.

The company adopts ‘access for all’ approach, everyone is allowed and encouraged to get their skills recognised.