

# **A Review on the Participation of Employees of SME in Formal Education The Case of Slovenia**

## **SP 4 – National Report**

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## **1. Introduction**

In Slovenia, the transformation of economic structure has been evidently an ongoing process including the structure of enterprises, the fragmentation of big size undertakings and rising of new small and medium size enterprises. Some outstanding scholars like Senge, Marquardt, Argyris etc. point out that the precondition for reaching a higher level of innovativeness and development is the lifelong learning, promoting a more effective adaptability of skills with intention to meet the needs of workers and organizations. It is a common knowledge that lack of time and of adequately developed HRM function in SME represents an important factor negatively affecting access of those employed in these enterprises, to education and training. It has been further suggested that smaller firms are more flexible in their staffing policy; they tend to hire workers with qualifications required by work and more often rely on flexible forms of work.

The study has explored the participation of the employees in SME in formal education<sup>1</sup> in light of their business strategies, HR strategies, management styles; the factors supporting/hindering the participation in formal education, from the management's standpoint as well as from the participants'. The goal is to provide a broader conceptual ground, from the lifelong learning efficiency perspective with regard to both the organizational aspect of education and that of the participants.

The small and medium size enterprises included in the study were selected on the basis of predefined criteria (private property, selected economic activities; looking for gender balance and for balance of education levels). Nine enterprises have been studied; three of them small (10 to 49 employees) and six medium sized (50 to 250 employees). Four enterprises belonged to the production sector family (one in metals, one in vehicles, and two in chemical industries) while five are in service sector family.

Two main sources have been used in the selection process, the already established network of educational providers and enterprises and the Business Directory of the Republic of Slovenia (PIRS).<sup>2</sup> Five enterprises were selected from the established network through telephone communication. As for those selected on the basis of PIRS, a short list of 20 companies has been made by the research team after having compared the data listed in PIRS to the data on web pages of the enterprises, if available. In the next step all the twenty enterprises have been invited by a letter to take part in the study. Four companies from this list have been included in the study<sup>3</sup> while sixteen companies have refused to cooperate or have been excluded from the participation because they did not meet the selection criteria<sup>4</sup>. The reasons for refusal were: lack of time, managements' fear to deliver some important information and lack of interest. The reasons related in failing to meet the established criteria were: more than 249 employees; publicly owned company; none of the employed was enrolled in formal education; absence of people selected for interviewing; affiliation

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<sup>1</sup> Formal education is understood as education provided in the system of schools, colleagues, universities and other formal education institutions that normally constitutes a continuous 'ladder' of full time education. It leads to certification which leads to the next educational level. (Guidelines for SP 4)

<sup>2</sup> The information obtained in SP3 was not useful since participants in formal education were from larger enterprises or they were unemployed.

<sup>3</sup> Annex: Summary table on enterprises and its main characteristics

<sup>4</sup> Not all enterprises regularly update their information in the Business Directory which makes the data in the Directory less reliable

of the enterprise to bigger establishments. Key information on the companies not participating in the study (name, contact date, name of the director, the eventual reason for non-participation and other remarks), have been put in a separate map.

The management suggested the names of the participants in education, to be interviewed.

Data were collected by using semistructured interviews. In the selected companies we carried out 32 interviews, nine of them with general management (HRD management), three with line managers and twenty with the employees, participating in formal education.

In order to reduce the length of time for the interviews with managers and line managers, we have sent them written information in advance explaining what kind of data we were interested in.

The interviews have been carried out in firms' premises during the working time. Anonymity of the data has been secured. The conversations have been tape-recorded and later on transcribed by skilled typists.

The requested "hard" data have been provided by the responsible persons in the firm at the time of the interview or afterwards. The data available on the internet were taken from there.

The interviews have been analyzed by applying the qualitative methods. Case studies for individual enterprises have been prepared; these have been used as the main data source for the preparation of the national report.

## **2. Formal adult education and its relevance for enterprises**

### *2.1. Systemic framework and general background*

There have been various educational reforms in Slovenia carried out in the past twenty years in order to modernise the school curriculum and to adapt it, in case of vocational and professional education and training, to the needs of the economy sector. In the reform of 1996 a new legislation concerning the whole educational vertical (higher education has been changed earlier) has been passed and updated in 2004 and 2006 (primary schooling act 1996, Vocational and professional education act (1996; 2006), Gimnazija act (1996), and Higher education act (1993; 2004)).

One of the changes brought up by the reform was in the field of governance. The Organisation and Financing of Education Act introduced the establishment of the Council of Experts of the Republic of Slovenia for Vocational and Technical Education with fourteen (14) members and the president nominated by the Government. The members of the Council and the president are selected from the well known experts in the field of vocational and technical education and training. The structure of the Council is as follows: five members are nominated by various ministries (two of them by the Ministry of Education and Sport), five members are nominated by relevant chambers and four by trade unions.

Hence greater participation of social partners may be observed in planning of the VET policy, in defining learning objectives, designing and delivering training programmes, and in sharing of responsibilities at the whole verticality of VET. However regarding deregulation in terms of greater autonomy of regions and providers the possibility to influence a small part of curriculum (20%) has opened recently (Ivančič, 2007)

Legal regulation notwithstanding formal education rarely, if ever, met the expectations of enterprises. The reasons are several and cover discussions present in almost every European country: education for a specific workplace or education for a larger field of work and a little more. As for the enterprises investing in formal adult education the golden era were the mid 70s to mid 80s of the 20<sup>th</sup> century when the Act on Associated Labour and measures derived from it obliged enterprises to set aside funds for education and learning. The transition period with the high unemployment rate (9.1% in 1993) was the period of employment problems, when those without proper qualifications were the first to go. Enterprises, in order to consolidate their activities did not look internally but found qualified workforce in the market. If they invested in learning, they invested mainly in non-formal one.

The research carried out in mid 90s showed that in 1991 Slovenia was faced with the following situation:

- 17% of population of 15+ with unfinished primary education or without it,
- 30% of population with finished primary education,
- 42.8% with finished secondary education (ISCED 3),
- 8.8% with higher university and non-university education (ISCED 5 in 6).

Several steps were taken to change the situation at the national level and investment in learning was to be found among the key national development objectives for the period from 2006 to 2013 pertaining to effective generation, two-way flow and application of knowledge needed for economic development and quality jobs. Among the documents which passed the Parliament and stressed formal adult education as a comparative advantage of any enterprise is also the Resolution on the National Programme of Adult Education (NPAE, 2004) covering the period from 2004 to 2010. Among its four global aims to be reached by 2010 in three priority fields is also raising the level of educational attainment as well as education and training for the labour market.

With regards to raising the level of educational attainment it is planned that at least 50% of adults without compulsory primary education will achieve this level while at least 25% of those without finished upper secondary education will achieve either lower or upper secondary vocational or general education, and at least one tenth of those with finished upper secondary education will achieve higher vocational education. In this respect the needs of the labour market will be taken into consideration, while the target group are adults without a level of education and unemployed. Priority in learning is to be given to the natural-technical field.

In order to achieve these goals funds are earmarked by the NPAE. The Resolution foresees to invest 39.2%<sup>5</sup> of all funds either from national budget or from European Social Fund in order to achieve the raising of educational level of the Slovenian

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<sup>5</sup> See Annex, table 1.1.

population as well as of the employed. As for the employed, those whose level of educational attainment is low and because of this their workplaces threatened by unemployment are a special target group within the third priority field. They can have their education financed or co-financed through public means.

According to the research carried out in 2004 by the Slovenian Institute for Adult Education on the representative sample of adult population aged from 16 to 65 years<sup>6</sup>, 7.9% of adults were enrolled in formal education. They were more interested in acquiring university and non-university higher education (43% and 14% respectively) and much less the upper secondary one (23.5%). The research also showed that adults paid for their own education themselves or their families (64%) or had their education co-financed by public administration while 30% of those enrolled in formal education had their study paid by the enterprise (Ivančič in: Mohorčič et al., 2005).

Participation in formal education by sectors was the highest in the retail sector (15.2%) followed by financing and insurance (13.8%) and public administration (13.4%) sector (Ivančič in: Mohorčič et al., 2005). Relatively high was also the participation of adults employed in the agriculture, hunting and forestry (11.5%) and in production and distribution of electricity, gas and water supply (10%). In other sectors it was around 6%.

Taking into account the participation by ISCO occupations the research identified four groups where the opportunities to participate in formal education in 2004 were relatively good (Ivančič in: Mohorčič et al., 2005): armed forces (20%), professionals (18%), clerks (14.7%) and technicians (14.1%). Participation of legislators, senior officials and managers reached 11.4% while the rest of occupations<sup>7</sup> did not exceed 10%.

Nevertheless it seems that notwithstanding government dedication to lifelong learning there are groups and professions which have better access to formal education than others. But considering the payment conditions, it seems that the learning and especially formal education is an individual responsibility, at least with regards to the Slovenian enterprises. Though data show they do invest in education, the research also shows they do this to a limited extent. The majority of their investment goes to non-formal education and training.

## *2.2. Interrelation of participation in formal education and skills needs at the workplace*

In Slovenian SMEs managers/entrepreneurs understand formal education in terms of school education granting the participants with a formal publicly recognised certificate/diploma and a level of formal education, vocational/professional title. However, there is a difference in how important they consider a level of formal education in regard to productivity and competitiveness of a particular business company. Particularly when it comes to production work (blue collar workers) there

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<sup>6</sup> Participation was measured as education (formal and non-formal) occurring within the period of 12 months prior to the interview.

<sup>7</sup> Service workers and shop and market sales workers – 8.1%, skilled agricultural and fishery workers – 10%, craft and related workers -6%, plant and machine operators and assemblers – 3% and elementary occupations – 2.3%.

is a general belief that with some years of service and the on-the-job training they can acquire a good command of their work. By and large the employers tend to hire workers with the required level of education this being possible because of the massive supply of better educated work force. However this is not just about the level of formal education but also about the type of skills provided by the available qualifications. There is a shortage of certain qualifications and skills and so the SMEs same as well as the large firms have to cope with this issue. Both try to assure adequate qualifications through available supply of educational programmes in the education market. The statistical data same as our case studies show that there is a shortage or even absence of certain programmes in the education system. They also show that the interest of young people same as those already employed to participate in education required by the labour market, is rather low. Mostly this is true for technical qualifications at the secondary and tertiary level. Some firms therefore try to solve this problem by employing people who have at one point interrupted their studies and then encourage them to accomplish their education as part time students. Some firms hire the workers whose level of education exceeds the job requirements but their type of qualifications does not correspond to the needs of production.

*»(...), let's say that in the development and technology we mostly have engineers and technicians, even more engineers than technicians as there is shortage of technicians. In the production we have a good educational structure merely because of the fact that in this region employment opportunities are very scarce... And so a lot of workers with secondary education (ISCED 3B and ISCED 4B) are employed in production and this is... I am a bit scared because of this...« (CS: H; L-1, p.6: 37-42)*

It is likely that in the firms studied employers' investment in higher level of formal education does not only mean an investment in productive skills of the employed. From the interviews with employers and managers it is possible to conclude that higher level of formal education is also used as a classification/screening mechanism, individual trainability indicator, indicator of general skills, the basis for organisational/personal development, etc.

*»the school is the most important condition if one wants to take a job. Education parallel to work process is the next step as the matters change every day, in profession, in production, development even in the field of assisting services.' (CS: C; p.5)*

*«Certificates give formal confirmation of the acquired competence or knowledge of the employee. A supporting document is therefore important however the assessment of the superior about how the employees apply the acquired knowledge and skills in practice is even more important« (CS: D; p.5)*

*»If nothing else it (formal education) contributes to personal development which is positive in itself... While studying he/she has to be able to organise his work and his time... has to be very disciplined in many ways if he/she is to have results and this certainly is a big contribution to the personal growth.« (CS: H, p. 6; L-1, 37:42)*

Despite of such broad reasoning management expresses some reservations about supporting enrolment in educational programmes where qualifications not needed by the firm are being acquired and do not provide opportunities for promotion neither within the firm nor at the local labour market.

*»Most often we are sceptical about those who enrol in studies which are not..., when young people after having acquired high school diploma (gymnasium) drop out from the university study, get employed here and then enrol ... since technical studies are hard to study part-time while social sciences are easier in this respect (...). We are wondering about the point...« (CS: H, p. 8; L-4: 22-23; 25-26)*

On the other hand the interviewees see formal education see as providing broad and complex knowledge which can be complemented by non formal and on-the-job training and learning. Information acquired from the interviews also implies that individual decisions on participation in formal education are not very often taken because of the current workplace requirements and HR plans in organisations. They decided to enrol because they expected to get access to permanent employment; improve their social status; improve their self-esteem; deepen/upgrade knowledge in professional field; finish something unfinished; improve career prospects.

*...«To tell the truth, the main reason for my decision for taking part in education lies in provocation and stubbornness. I wanted to prove that I was able to realize something which I had wished for such a long time and had postponed it for years...« (CS: D; P2, p.7)*

*“This will suit my job and there will be something for my soul as well.... You know, already as a child I had always disassembled toy cars, bicycles and motor cars and was happy with that.” (CS: F; P1, p.9)*

Individual decision to improve one's level of formal education is also at least partly a consequence of inflation of school certificates and diplomas in the labour market. There is quite a wide spread opinion that 'nowadays upper secondary education (ISCED 3B) is not enough any more'. (CS: E; p. 9) In line with this opinion those with ISCED 3B and ISCED 4 aspire to acquire at least professional higher education, and those with ISCED 3C at least ISCED 3B or ISCED 4 to reach the threshold for enrolment in tertiary education.

*...«After I once had interrupted the schooling, I realized that it was necessary to raise the level.” (CS: D; P1, p. 7)*

### **3. Patterns of support /non-support identified for formal education in enterprises**

When considering the support/non-support for formal education it is difficult to offer a unique model for the country, even if a certain size of the enterprises has been selected. The Slovenian cases indicated that the non-support/support of this sphere primarily coincides with the understanding of this phenomenon by the management of the SME's. When the formal education is understood merely as an education leading to acquiring a degree on the higher educational level it is elaborated in the company as a matter of employees' concern, education that should be completed before entering the labour market. In that case the decision on formal education is entirely left to individual capacities and ambitions.

*'...acquiring formal education is an individual matter that should be finished before the employment. If someone decides to study after he has been employed in order to realize individual needs and projects, it should be done in his/her spare time. ...'* (CS: I; M, p.8: 8-13)

The opposite view is that formal education is a vital part of the working process and is not directed solely to improve the educational level. It should be an integral part of a lifelong learning process. According to this notion, the knowledge that the educational institutions provide enlarges the horizons, understanding of employees and improves the effectiveness of the working process. Therefore it should be an inevitable part of the working process. One of the managers exposed that people who have been educated during the working period have an advantage over those who have not.

*'...The certificate also shows what interest the person has and that he/ she does not want to stay where he/she was when he/she was still going to school - it is a proof that he/she wants something more'* (CS: C; M, p.15: 23-27). Such understanding of formal education is a precondition of higher employer's support.

The next factor conditioning a certain level of educational support is the offer of educated and qualified labour force. When the employers estimate they could hire the sufficiently educated labour force at the labour market, they are usually less prepared to invest into the workers' later development. In the companies where the offer of skilled labour force had been limited the employers were forced to devote much more effort and sources for development and additional education of the employees. In one of the companies we have recognized a third way, where the prevailing belief is that the risk is smaller if the company invests in education of its employees whom they otherwise know well than to hire unknown educated individuals (CS: B; M, p.14: 7-12).

Appropriate supply of educational programmes and services also has influence on higher support of employees' participation in formal educational programmes. When the employees are completely dissatisfied with the existing educational offer, their support is anticipated as low.

*'...programmes at the universities are not applicable enough.... The study should be much more based on experiences ...The faculties should be more pragmatic. Otherwise the science remains academic...'* (CS: I; M, p.4: 3-11).

Three enterprises out of nine studied cases in Slovenia closely cooperate in creating the programmes and their implementation with the main educational service providers. Such cooperation generates a higher adjustment and consideration of the companies' educational needs.

According to our study, the most significant factor determining non-support/support of formal education is the balance between the employee's participation in formal education and the firm's needs for qualification. When the selected educational programme matches the everyday work of the individual, the employer as a rule, supports the participation in educational process. With the exception of three cases, where the employers completely neglect the educational participation in formal education, the employers in the rest of the studied companies encourage the

participation in the programmes providing knowledge and competences which could be incorporated into their work. In such cases the enterprises and the employees normally sign an individual contract on education. Taking into consideration provisions of collective agreement, the individual contract determines conditions, rights and obligations the company and the employee should respect during and after finishing the education. The contract regulates the (co)financing of education by the employer, educational leave and at the same time protects the employer against losing its investment in education by obliging the employee not to leave the enterprise for a determined period after the completed education. In some cases (rarely) the management provides some benefits for participants in formal educational programmes even when the chosen programme and the business objectives do not match.

*'...We support even those studying other courses, not related to their work, we provide them with day offs for exams and other study commitments. They can also utilize unpaid absence. ... we sign contracts for covering the expenses and provide them with free time for their diplomas, exams and other assignments'* (CS: C; p3).

Usually in such cases it is among the objectives of the HRM to achieve the highest possible educational structure of its employees.

According to the opinions of some managers, the greatest encouragement to education is the opportunity the individuals get for promotion after finishing a higher educational level. That incentive is particularly effective in the companies with well-conceived promotional system.

*'...I find the possibility to use promotion as with it you get a higher salary and with more money, one can live a higher quality of life ...'*(CS: B; P, p.4: 9-12)

However, even in cases where the internal regulation is designed to support the involvement in formal education activities, the employee cannot always expect the promotion and higher salary or a more complex job, after finishing it.

There are also some other encouragements by the companies that directly or indirectly stimulate the workers' participation in formal educational activities. The examples of incentives that indirectly stimulate the educational participation are encouraging innovation policy and the rewarding system. Through financial and other instruments for bettering the performance, innovation and achieving significant outputs, the support of participation in education leading to higher working achievements is provided as well.

Hindering factors for participation in the formal education most frequently mentioned by the managers are: lack of adequate formal training programmes, the remoteness between the location of the enterprise and the educational provider that increases the costs of training, and bad organization of training programmes that do not take into consideration the time availability and other features of adult participants.

However the incentives and impediments to formal education are not merely on the side of the companies but they are also a matter of individual decision to join the educational activity. Most of the participants believe that the formal education

provides more durable knowledge and skills if formalized. Some of the participants decided to study simply because they wanted to improve the educational level, to have possibilities of finding better jobs or to achieve higher independence. According to Boshier (1973), the intrinsic reasons are the predominant factor in deciding whether to get involved in education or not. Our findings support that statement. The majority of the interviewed participants in the formal educational programmes decided to join the programmes because of the need for individual development, curiosity, feeling of satisfaction and growth. Achieving higher educational level is something personal for them, something that one does for him/herself.

*'...I wanted to prove that I was able to realize something which I had wished for such a long time and I had postponed it for years...'* (CS: D; P1, p.5: 7-10) were the words of one participant.

From the viewpoint of the individual participant it is also important how the educational provider tries to listen to the needs of adult participants and how supportive the teaching staff is in achieving the educational objectives.

*'I have a feeling that they do care and do not come to teach only to receive their salary, but because they want to pass on knowledge to us. When you get such a positive feeling you become responsible towards yourself and your work'* (CS: B; P, p.6: 26-28)

When assessing the hindering factors for higher support of the formal education on the individual level, the most frequently mentioned reason is connected with balancing the work, education and fulfillment of individual interests. This reason prevails among the employees having families and small children. In order to harmonize the interests of the family, work and acquirement of certain educational programme in an easier way, the acceptance of the initiative 'job-family life balance' is quite useful. To achieve this an adjustment of the working time, child care, additional non-working days for the parents of the first grade children for the first school day, annual meetings of the employees with family members and favourable working hours have been provided. However, only one from the selected nine companies in Slovenia follows this initiative.

Difficulties in balancing the time needed for study and obligations at work could be faced also by the employees not having permanent family obligations. Some of them feel frightened of giving up their entire free time because of study obligations. The analysis indicates that for the both categories, it is an important relief if the work process is organized in a more flexible way and if the employees are free to balance the work and lectures attendance.

A low individual motivation is also an important hindering factor. The analysis shows that the motivation for participation is higher among people having higher levels of education, among younger employees and those having lower working status. It has been stressed though that not all the employees have been treated equally and that the management is in a privileged position in this respect (CS: G; P2-5: 48-50). At this point one should not forget that that these staff-members are in a privileged position regarding the financing and planning of education in the future. These findings are common not only for employees in small and medium sized enterprises

but also for the entire adult population in Slovenia. (Mohorčič Špolar V., Mirčeva J., 2004)

When analyzing obstacles preventing the employees in SME's to participate in formal education activities, the difficulties in organizing the regular flow of the working process should not be neglected. Companies having up to 10 to 20 employees could not afford the absence of their employees.

*'Even two days of absence mean that you lose the contact with work, because new projects come, you are not acquainted with them anymore and when you return, a person who replaced you has to explain to you what is going on with the individual projects. As the projects come on a daily basis, we get a lot of orders, if you do not accept them yourself, it can happen that you are not in touch with your work anymore.'* (CS: A; P1, p. 2: 36-41)

Another important reason for lower educational support is limited budgets of SME. In order to overcome this problem and to achieve the educational plans, some of the studied companies used public support schemes. However, the management emphasizes that too extensive documentation poses an enormous impediment in the funds acquisition. The management in the companies with 10 to 20 employees emphasized that such participation has been practically impossible for them as they do not have enough staff for this kind of purposes.

#### **4. Removing institutional barrier to access to formal education**

While speaking of motivation of adults for education the compliance of curricula with skills requirements of the workplace is very important. An advantage for those studying in line with workplace requirements is also the fact that education and workplace may be mutually supportive. Practical knowledge acquired at work may facilitate learning in the education programme and the other way round - what they learn in the programme may be transferred to the work place. However, it was just a minority who reported this kind of interrelation.

*»What I am now performing in practical exercises in school is very helpful at my work, and the other way around, I am doing exactly what we are performing at practical exercises, so I do not have problems with exercises... What I learned in the study programme helped me solved two work problems already...«* (CS: H; P1, p. 10)

*"I would say that my work strongly supports my study since my understanding of the theory is much better now ..., I am not a person who would learn by heart... I want to understand. (...) On the other hand it would be difficult to judge how much my study helps at my work."* (CS: G; P3, p. 8)

*"Yes there is a difference. Before I could only understand the activities of various electronic complexes but was unable to explain them. ... Now I am able to explain things professionally."* (CS: F; P3, p. 8)

Most of the participants are more general in this assessment and point to the necessity to have some theoretical knowledge to better understand the work

processes or just suggest that theoretical knowledge may sometimes be useful at work.

*“... Every now and then some theoretical knowledge, acquired at the faculty is needed and the other way around, practical things acquired in the firm may help at my study, above all when we do project work.”* (CS: G; P1, p. 8)

*“It is good to have a lot of experiences. I had all that. But it's good to have some theoretical knowledge as well. Then it is easier to connect certain things and you arrive quickly to the solution of a problem.”* (CS: F; P3, p. 10)

However we have realised from our interviews that more and more employees get enrolled in education programmes which are not related to current needs of work but have to do with their prospective careers, intrinsic drives and the like. Further on participants do not want to be bound to their employers by education contracts, they prefer open career paths.

It is not likely that direct costs of training represent an important barrier to participation in formal education but allocation of individual time budget does. Educational institutions may apply various approaches to make it easier for adults – especially those whose education is not in the interest of their employer's – to balance work-family-education cycle. When looking at the participation of adults in formal education from this standpoint, the conditions for easier access to education provided by suppliers of educational programmes are becoming of great significance.

Considering the Slovenian education context the most important educational policy documents, particularly in regard to adult education (i.e. Lifelong learning strategy in Slovenian, Resolution on Adult Education Master Plan to 2010) accentuate the need to improve the quality of the education process, to make education more attractive and bring it closer to people, which is particularly true for education intended for adults. The educational reform enacted in 1996 defined adult education as special educational subsystem. Despite that fact there is no specific track within formal education geared specifically to adults. Adult education at an individual educational level and within individual educational stream is defined by the respective educational laws.<sup>8</sup> The Gimnazija act speaks of education for adults. Article 30 states that employed, unemployed and those older than 18 years of age may enrol in education for adults. The renewed Vocational education and training act from 2006 and the Higher education act on the other hand make a distinction between regular and irregular education. Regular education covers full time youth education and irregular education designates part-time education which is intended for adults. According to the Vocational and professional education act (art. 62) employed and unemployed persons as well as those of 16 years of age and older who have lost their status of a regular student may enrol into irregular vocational and technical education.

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<sup>8</sup> Primary education of adults is regulated by primary schooling act, vocational and technical education is regulated by the Vocational and professional education act (1996; 2006), general education by the Gimnazija act (1996), and tertiary education by the respective Higher education act (1993; 2004). Similarly, a law on final examination uniformly regulates final examination for young people and adults.

Accordingly, adults/irregular students may enrol either in educational programmes specially prepared for adults or in educational programmes for youth adjusted to the needs and specificities of adults. The adjustment concerns the duration of education and training; organisational forms of delivering curricula; timing; recognition of prior education and learning; teaching and learning methods and techniques; learning material. Standardised methodology provides expert support to providers of formal education for adults in adjusting education programmes.

Although there is a network of providers specially founded to deliver education and training to adults (e.g. People's Universities), the majority of formal education of adults is still carried out in schools and other education institutions intended for initial education of youth. This is however connected to the extent and quality of the adjustment of formal education to the needs, possibilities and prior learning and experiences of adults. Some organisational forms, such as modular education, that enable the gradual acquirement of formal qualifications have not yet been in place although there are formal conditions for this kind of carrying out of the programmes.

Our interviewees have confirmed that the main advantage of irregular education is that lectures are mostly delivered in the afternoon (so called evening courses). The number of afternoons per week differs among schools and programmes. In general educational programmes at the secondary level organise lectures 3 times a week, sometimes even more often, while at the tertiary level lectures are organised one to two times a week, usually Friday afternoons (from 4 to 8 p.m.) and Saturday mornings (from 8 – 9 a.m. to 1 – 2 p.m.), in a free time that is. In addition one also needs time for travelling, for independent learning and for the required learning activities. Accordingly, when one chooses education one has to take on board that one will have to give up most of one's private activities, usually going on in free time, until the education programme is accomplished that is.

*"You have to know – in reality you have to give up everything for three, four years... So much time for lectures, study, learning, exams and travel. For everything"* (CS: E; P2, p. 9)

In practice the programmes are usually delivered in blocks, represented by individual subjects. At the end of each block the examination is performed. Only one interviewee reported his participation in educational programme, organised in the form of e-learning.

What seems to be missing are adequate learning materials. There are also no reports on negotiated curriculum.

*"No, there's practically no communication this way. ... All depends on lecturers. Some did ask if there's interest in this way or another and then made an effort to commit. But as for the school management they do not ask us whether we like the study or not, this simply does not happen. But they could, you know"* (CS: F, P1, p. 5:31, p.6:8-11).

Considering the information provided by our respondents, upper secondary education is organised in a different way (we are referring to the technical field here). Lectures depend on subjects and are sometimes delivered five times and sometimes three times a week. As in higher education there is also the "sandwich system" of

instruction – lectures first and exams afterwards. There are cases when teachers require 80% attendance at lectures while others say that what matters are the results.

*“There are teachers demanding, let’s say 80% attendance and such as e.g. teacher of the Slovenian language who says – I do not mind if you do not show up at all. Just come to the exam and pass it. What matters is your knowledge”* (CS: F; P3, p.3:30, 4:1-2).

From what was reported by the participants one may suggest that it is easier to organise one’s part-time study at the tertiary level in comparison with the secondary level and in non-technical fields in comparison with technical fields.

» (...) *we had practical work on Mondays the whole day. In the morning I had to attend with regular students and in the afternoon with part-time students, and I also had to attend on Thursdays... I had some study leave but as for the rest I had to compensate...sometimes I worked 16 hours a day...*« (CS: H; P2, p. 11)

Contrary to higher education institutions that dispose of administration services being in charge of passing information to irregular students, secondary schools which do not have adult education units have rather badly organised services for irregular students. In certain cases it was left to participants to get information about the lessons this being particularly difficult for those from more remote parts, travelling to lectures delivered in urban centres.

*“It was such an organisation... it used to happen that I was already near Idrija (note: on the way from Kobarid to Ljubljana) when my schoolmate called and told that the lessons had been called off...”* (CS: H; P2-2: 29-20)

A very important measure significantly affecting the duration of education and its costs is *the possibility to have one’s prior education and learning validated and recognised*. Slovenian educational legislation has opened the possibility for validation and recognition of non-formal education and learning and work experiences at all levels of education (Vocational and professional education Act, art. 71; Higher Education Act, art. 35). Special by-laws exist which specify the tasks of educational providers related to the validation and recognition of prior learning and experiences but the whole process is still at its very beginning. There is also a special law on national vocational qualifications (National Vocational Qualification Act, 2006) that makes it possible to attend publicly recognised certificate for parts of qualifications through examination process. With a proper combination of part qualifications and fulfilment of some additional requirements (exams from general subjects) one may sit for vocational matura.

In practice the providers of education recognise on request of individual participants education and learning attested by formal documents (publicly recognised certificates) where the equivalency is determined on the basis of similarity of learning content and the duration of the specific subject (in hours). When such equivalency is established the applicant may get exempt from attending the respective subject.

The methodological guidelines for adjustment of programmes in vocational and technical secondary education for adults also anticipate that those with work

experiences in the same occupation that are twice as long as practical work in the programme may be exempted from practical work.

Concerning our interviewees, one may realise that they were not well informed about this possibility. None of them sought to get his/her non-formal education and learning, and work experiences validated and recognised. It is more common to realise this right in case of dropouts from education who have later on returned to school and switched to different education programmes at the same level of education.

Of our interviewees two are continuing their education in programmes different from those they interrupted. Their employer was strongly involved in searching for adequate programme which would be in line with the firm's needs and would at the same time recognise the already passed exams. P1 from the case H switched from a university technical programme to a higher professional programme. In cooperation with the faculty administration service he applied for recognition to heads of individual subjects; they agreed on what contents and activities he would be exempted from. Some of the subjects were recognised automatically and in some cases he was/is obliged to attend seminars and exercises which are a precondition to sit for exam. He is also hopping for exemption from half a year practical work required by the programme. Namely, the faculty rules make it possible that those with 2 years of work experience may be exempted from practical work. (CS: H; P1-3: 7-21)

P2 from the same enterprise was less lucky in this respect. She finished vocational technical programme in the field of agriculture (ISCED 4) and she has enrolled in secondary technical education (ISCED 3), the field of chemistry. Both educational programmes involve some similar subjects that are rather close in the content in addition they provide certificates of equivalent value. She and her employer thus expected that in addition to general subjects also some professional subjects from the previous programme would be recognised as completed. However she has reported that she was exempted only from general subjects; she even had to carry out all the practical work and practical exercises. (CS H; P2-2: 25-37)

## **5. Outlook, conclusions, recommendations**

We assumed that small and medium sized enterprises have some advantages over the large ones, due to their flexibility, their specific organizational structure and their closeness to the consumers.<sup>9</sup> At the same time the share that small and medium sized enterprises contribute to creating the gross national product has also increased. Nevertheless, in our cases it is likely that small size causes some difficulties which affect the competitiveness in larger markets. These are lack of qualified management staff; some difficulties in attracting and maintaining a high quality staff; problems in organizing efficient education and learning of the employees; and problems in creating a comprehensive HRD system in general. SME, as a rule, due to their lack of qualified human resource staff, limited possibilities for cooperation with external

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<sup>9</sup> Some researches "Entrepreneurship and Small Business Research in Europe: an ECSB Survey", "Excellence in Small Business Management Proceedings", "Innovational Management" etc. indicated that small and medium sized enterprises were more flexible and innovative than big enterprises.

providers of education and training and limited financial resources, rely more strongly on forms of work organization and management styles supporting learning at work and on the job. This is especially true for the so called 'micro' companies employing not more than 20 people. However the attention is being redirected from the formally organised, acquired and approved knowledge and skills raising the education level, to non-formal organising of individual skill development and knowledge acquiring.

Formal education as understood in the Slovenian context provides broader occupational/professional knowledge and skills that are awarded by nationally valid certificates and diplomas and can be transferred among different enterprises within the same professional/occupational field. In general it is maintained that formal education increases career opportunities of the employed at the external labour market. That is why employers tend to hire workers who already possess required levels of formal education and then invest in non-formal and informal training and learning that complements general skills with job/firm specific skills and competencies.

However due to great shortage of certain formal qualifications at the Slovenian labour/educational market – technical qualifications at ISCED 3 and ISCED 5 levels in particular - all enterprises, irrespective of their size, have to look for the strategy on how to cope with this issue. Investment in acquiring formal qualification of the employees represents one of them. Three groups of participants in formal education may be differentiated from our case studies:

- Those participating in line with the needed skills and HR plans of the enterprises - having signed the so-called educational contract providing them with all the support of the enterprise;
- Those enrolled in programmes, not in the interests of the employer who do not have educational contracts but still enjoy some encouragement by the management;
- Those participating in formal education entirely independently on their employer.

There is an evident difference between small enterprises (less than 50 workers) and medium sized enterprises (150 – 249 workers) on how they manage education and training of the employees, in particular their participation in formal education. The first group has no strategies and tools supporting HRM and HRD. Their approach to education and learning is unsystematic; workers themselves usually initiate the participation in education and then negotiate with their employers, asking for support. In these enterprises the participation in formal education is strongly based on individual interests and motivation while the training needs of the enterprise are in the second plan. On the other hand medium sized enterprises (with more than 100) employees) usually have a HR professional in charge for staffing and training matters of the enterprise. This kind of enterprises have developed more systematic approaches with HR strategies being part of business strategies, training plans adopted by the management and more formalized and standardized procedures. Individual educational decisions are being made on advice of HR professionals. But small and medium sized enterprises do not seem to excel in encouraging low educated workers to participate in formal education. Our participants are enrolled in programmes classified in ISCED 3B and ISCED 5 - in line with the conviction

expressed by one of our interviewees *'nowadays having just upper secondary is not enough any more'* and ISCED 3B is the precondition to enrol in tertiary education.

Such a perception of the education and learning situation in SME suggests the conclusion that some external support (state, education sector, local community and the possibilities of connecting with other economic structures) would positively contribute to the development of the education and learning "friendlier" environment. The following measures and activities may contribute to overcome the identified barriers at organizational and individual level:

- Educational reforms at the national and particularly at the regional level should pay more attention to creating conditions for easier access to formal education of the employees in SME;
- Accelerated development of some instruments and tools such as national qualifications framework, methodologies for validation and recognition of prior learning and work experience, implementation of credit transfer systems may significantly contribute to opening up various ways to acquire formal education;
- In accessing to the public (regional, national, international) support schemes, the management in SME faces a lot of problems due to the extensive documentation, presenting an important impediment for the acquisition of funds. Networks of SME and their interconnections with the local and larger community could help in overcoming the lack of HRD staff in SME.
- The issue of assuring professional HR function in small enterprises could be overcome by a common HRD service established by a network of small enterprises.
- It is not likely that direct costs for education represent a heavy burden for employers. It is the paid time for education that is more expensive. Securing the funds for training by the employers and the state and managed by social partners, would at least partly unburden employers from these costs.
- A great deal of activities, connected to the participation in formal education, is organised in the individual's spare time strongly interfering with private activities, above all family life. In order to better coordinate the family, work and education, working time and work process should be organized in a more flexible way. Additional initiatives 'Job-family life balance', 'Investors in people'... supporting this kind of balance, could be helpful too. Rethinking of already forgotten initiatives such as job rotation could be a good solution.
- Making educational programmes more meaningful for the workplace. One of the findings is that educational programmes are not applicable enough; they are expected to provide more "know how". The quality promotion is therefore an important topic in this concern. Close cooperation of firms and educational institutions in developing programmes and their implementation would generate higher adjustment to the skills needed by the companies.

- Providers of formal education are accused of being too rigid and too slow in their adjustment to the quickly changing situation. They should promote a more extensive use of existing opportunities for adjustment of education programmes delivery to the needs and possibilities of the participants, above all in regard to timing, forms of organization (modules, e-learning, open learning) and recognition of prior learning.
- Establishment of local partnerships, where various stakeholders (educational providers, enterprises and their associations, employment offices, regional developmental agencies, etc.) would join together in developing of new programmes in demand by SME, and in innovative approaches to education and learning should be encouraged by state incentives.

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